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Conference Explores New Regional Security Issues

Security 'Domes' Proposed

BK2904130092 Kuala Lumpur BERNAMA in English 0924 GMT 29 Apr 92

[Text] Kuala Lumpur, April 29 (OANA-BERNAMA)—The first challenge facing the world is to extend the new security concept emerging in Europe in the post-communist era to other parts of the world, former Japanese Prime Minister Yasuhiro Nakasone said Wednesday.

Following such events as the collapse of the Berlin wall, the lifting of the Iron Curtain, and German unification, a new concept was fast taking shape in Europe, he added.

The confrontation between countries of the North Atlantic Treaty Organisation (NATO) and the Warsaw Pact had ended and a new approach towards ensuring political stability through confidence-building measures was taking precedence, Nakasone told participants at the Defence Service Asia (DSA) 1992 conference at the Putra World Trade Centre (PWTC) here.

The two-day conference is being held in conjunction with the four-day DSA exhibition 1992 opened by Defence Minister Datuk Sri Najib Tun Razak on April 27.

In his lead address entitled "Pacific Asia Security and the Future: A View From Tokyo," Nakasone said the new concept, which might be imagined as a gigantic dome encompassing Europe from the Atlantic to the Urals, was a reinforced version of the Conference on Security and Cooperation in Europe (CSCE).

Similarly, in Asia, a subregional political dome was now being created over Cambodia to maintain peace and progress towards regional stability, while the same thing was happening in the Middle East with the start of the Arab-Israeli peace talks.

He added that in the Korean peninsula, a political dome for ensuring long-term stability would eventually be created by North and South Korea and the four outside powers—China, Russia, the United States, and Japan.

"I predict that a political dome will be built in each of the regions of the world, in particular the case of Cambodia, where political conflicts exist," he said.

The domes could be considered regional substructures of the United Nations and, while they were coordinated in analogous regional efforts, they would further enhance global objectives of the UN, he added.

The review of the Nuclear Non-Proliferation Treaty is scheduled for 1995, he said, adding that it was strongly felt that the world should examine the feasibility of setting up of a new international system of inspection and verification, while the review was made.

"We ought to strengthen the treaty and make certain that the agreed-upon nuclear arms reduction is strictly enforced. We should develop an effective means of inspection to prevent nuclear proliferation," he added.

He said it was also equally important to develop an economic and cultural community for the prosperity of the Asia-Pacific region along the lines of a "grand Pacific common house for cultural and economic cooperation."

"With due consideration to an East Asian Economic Caucus, as proposed by Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed, I envision the structure of this Pacific common house as the first floor being occupied by all members meeting in a grand hall," he said.

The "second floor" would be assigned to the East Asian nations, including ASEAN, Japan, Korea, and China, the "third floor" occupied by the Americas, and the fourth by countries of Oceania and non-regional observers.

If the occupants of the Pacific common house used the framework to promote economic, technological, and cultural cooperation and achieve tangible results, then a stable and prosperous Asia-Pacific region would be realised.

'Sensitive' U.S. Policies Urged

BK3004045092 Kuala Lumpur BERNAMA in English 0330 GMT 30 Apr 92

[Text] Kuala Lumpur, April 30 (OANA-BERNAMA)—The United States should remain committed to the Asia Pacific region but it must be sensitive in her policies towards regional states, the Defence Services Asia (DSA) conference 1992 was told.

Malaysian Defence Minister Najib Razak said Wednesday that while the superpower was welcome here, it should be sensitive to the aspirations of the regional states and understand their plights and problems.

"This approach, I believe, would help to foster more meaningful relations between the United States and the regional states," he said when opening the two-day DSA conference 1992 here.

Former Japanese Prime Minister Yasuhiro Nakasone delivered the opening address at the conference held in conjunction with the four-day third DSA exhibition at the Putra World Trade Centre (PWTC).

Najib said: "It is in our interest to see that there will not be a vacuum in the region as it may result in a new era of conflicts with new power configurations emerging."

The U.S.-Soviet paradigm was no longer relevant in the region today and the fear was that, as a consequence of the disengagement of the superpowers from the region, other ambitious powers might fill the vacuum, he added.

"Malaysia feels that there will be no vacuum because the United States, despite the significant reduction in her (?250) billion-a-year defence budget, has remained committed towards this region," he said.

Besides, the U.S. withdrawal from the Philippines was more psychological rather than strategic in nature, he added.

Najib said Malaysia wished to emphasise that as a dominant power, the United States should be prudent towards the interests and aspirations of the Asia-Pacific nations.

He reiterated Malaysia's willingness to host an Asia-Pacific security dialogue which would be an additional forum to enable regional states to share their views and ideas on security matters.

Constant dialogue would help each other and assist the process of confidence-building, he said.

Speaking to reporters later, Najib said Malaysia's stand on the presence of U.S. forces in the region had not changed despite her willingness to enhance military cooperation between both nations.

Malaysia was still against the setting up of permanent U.S. bases in the region although it viewed the United States as a benign military power whose presence would lead to a higher degree of stability, confidence, and positive influence in the region, he added.

"However, we expect the United States to take into account our interests and sentiments in the region and not use the big stick approach but instead promote the economic well-being of the region," he said.

There were no new developments in military cooperation between the two countries other than Malaysia providing maintenance facilities for U.S. aircraft and ships, he added.

"We have always considered the United States in positive terms despite the fact that we are unhappy about the U.S. stand over the East Asian Economic Caucus concept," he said.

Japan

Ministry Concerned About Los Angeles Riots

OW0105111892 Tokyo KYODO in English 1101 GMT 01 May 92

[Text] Tokyo, May 1 KYODO—Japan's Foreign Ministry expressed concern Friday over the violence in Los Angeles and other U.S. cities and urged that the situation be brought under control immediately.

"Japan has been worried about the riots and hopes the situation will be returned to normal as soon as possible," Foreign Ministry spokesman Masamichi Hanabusa told reporters.

No Japanese nationals have been injured so far in the riots in Los Angeles, the spokesman said.

More than 20 people have been reportedly killed and scores of buildings set afire in the riots, sparked Wednesday by the acquittal of four white policemen charged with beating a black motorist.

Meanwhile, Japan Travel Bureau (JTB) Inc., a major Japanese tourist agency, said it has suspended its tours to Los Angeles starting from Friday through Sunday.

All of about 1,000 Japanese travelers visiting Los Angeles on JTB tours, most of whom have locked themselves in their hotel rooms, have been reported safe, JTB officials said.

JTB said more than 40,000 Japanese tourists are expected to visit the U.S. west coast, including Los Angeles, during the Golden Week series of holidays that began April 29 and end May 5.

Kozo Watanabe Meets With Bush Senior Adviser

OW3004234292 Tokyo KYODO in English 2329 GMT 30 Apr 92

[Text] Washington, April 30 KYODO—Protectionism is mounting in the U.S. Congress and Japan should do its part to help the Bush Administration ward off protectionist pressures, a senior adviser to President George Bush said Thursday.

Clayton Yeutter, counselor to Bush on domestic affairs, made the request in a meeting with Japan's International Trade and Industry Minister Kozo Watanabe, a Japanese official said.

Yeutter specifically cited the super 301 trade legislation now going through Congress, and urged Japan to contribute to the administration's efforts to keep protectionist moves at bay, the Ministry of International Trade and Industry (MITI) official said.

Bush's adviser reportedly said that both sides should work together to keep bilateral ties smooth so that the administration can keep opposing protectionist bills.

Yeutter's remarks appeared to suggest that the two countries should keep the bilateral trade gap under control and should not exacerbate trade frictions, Japanese officials said.

The White House meeting with Yeutter was part of a flurry of informal consultations Watanabe had with senior administration officials during his three-day stay in Washington.

In a meeting with Watanabe earlier Thursday, Commerce Secretary Barbara Franklin expressed concern that the Japanese trade surplus with the U.S. may worsen as the recovering U.S. economy sucks in more imports, Japanese officials said.

A worsening in the trade gap, which stood at 43 billion dollars last year, could lead to increased friction between the two countries, Franklin was quoted as telling Watanabe.

Watanabe told Franklin the Japanese Government has been encouraging the private sector to increase foreign purchases and expects its import-promotion policy would boost foreign sales in Japan.

Franklin told Watanabe of U.S. concern that foreign microchip products may not reach 20 percent of the Japanese market by the end of this year as outlined in a U.S.-Japanese semiconductor trade pact, a MITI official said.

U.S. Semiconductor producers are unhappy about sluggish sales of foreign-made microchips in Japan, Franklin reportedly said.

Watanabe responded that the Japanese Government is "doing all it can" to encourage Japanese microchip users to buy foreign products but said foreign microchip makers should also try harder in their sales efforts in Japan.

Watanabe reminded Franklin the 20 percent market share is not a "guaranteed" target but a benchmark to express U.S. expectations of the Japanese market share.

House of Representatives Democratic Leader Richard Gephardt and two other ranking congressmen wrote a letter to President Bush last week that the Japanese Government "must be told in no uncertain terms" that a failure to implement the 1991 Semiconductor Trade Pact would harm bilateral ties.

Watanabe later called on Treasury Secretary Nicholas Brady and the two men discussed the state of the economies in Japan and the United States as well as overall cooperation between the two countries, Japanese officials said.

Pessimism Expressed Over Semiconductor Market

OW0105082292 Tokyo KYODO in English 0810 GMT 01 May 92

[Text] Tokyo, May 1 KYODO—A senior official of Japan's Ministry of International Trade and Industry (MITI) expressed pessimism Friday about foreign-made

semiconductors attaining a 20 percent share of the domestic market by the end of this year.

The official, who asked that his name not be used, said major electric companies are boosting their purchases, but the appetites of small and medium-sized companies are weakening due to the slowdown of the nation's economy.

He noted that the issue will probably be focused on in connection with trade frictions between Japan and the U.S.

The Japan-U.S. semiconductor accord in August, 1991, expects foreign chipmakers to attain a 20 percent market share by 1992, through efforts by foreign suppliers and Japanese users.

Tokyo To Buy U.S. Car for Kato's Official Use

OW2804141292 Tokyo KYODO in English 1312 GMT 28 Apr 92

[Text] Tokyo, April 28 KYODO—The government said Tuesday it will buy a Cadillac from General Motors for use by Chief Cabinet Secretary Koichi Kato as part of its policy to ease trade frictions between the Japanese and U.S. auto industries.

The Cadillac, with a price tag of 7.1 million yen, is expected to be delivered in June and will be the first foreign automobile to be used as an official car for the Cabinet Secretariat.

During U.S. President George Bush's visit here in January, Japan and the U.S. agreed in an action plan to work to alleviate trade frictions by seeking to broaden access to the Japanese market for U.S. auto manufacturers.

In March, the Transport Ministry leased a U.S. and German car each for official use. Earlier this month, the House of Representatives purchased two Buick Park Avenues for 5.67 million yen each for use by former Speaker Kenzaburo Hara and Budget Committee Chairman Osamu Takatori.

The Ministry of International Trade and Industry also has 11 foreign-made cars in its fleet of official automobiles, while the Foreign Ministry has four U.S.-made autos for use by guests of the country.

One government leader said Tuesday, "We decided on the purchase to make a symbolic show of support for the action plan."

Hiroshima Mayor Protests U.S. Nuclear Test

OW0105054192 Tokyo KYODO in English 0340 GMT 1 May 92

[Text] Hiroshima, May 1 KYODO—Hiroshima Mayor Takashi Hiraoka lodged a protest Friday at a nuclear weapons test conducted Thursday by the United States at its testing site in Nevada.

The mayor's office said Hiraoka sent a letter of protest to U.S. Ambassador to Japan Michael Armacost in Tokyo.

Hiroshima was the first city to suffer a nuclear attack when the U.S. dropped an atomic bomb on it on August 6, 1945.

Help Offered to Those Seeking To Live in U.S.

OW2804152292 Tokyo KYODO in English 1137 GMT 28 Apr 92

[Text] Tokyo, April 28 KYODO—A Tokyo firm is offering to help Japanese find employment in the U.S. and also to obtain their green cards as permanent residents.

Pacific Newcomer Services (PNS), which claims to specialize in know-how on U.S. immigration requirements, is the first such agent in Japan. The company in Tokyo's Shinagawa Ward said Tuesday that since opening in mid-April, some 40 people have already applied for the firm's services, which carry a 320,000 yen fee.

Anyone attempting to obtain permanent resident status in the United States could get by perhaps paying a mere 25 dollars in processing fees, but PNS stresses in its press releases that it has the know-how to get through the "complicated documents and interviews."

It also claims that it can contract with U.S. companies and has quick access to information on conditions in the U.S.

In 1990, Washington revised its immigration laws to accept some 120,000 new immigrants, regardless of age or specialty, from 34 countries, including the Baltic republics and Japan, for a three year period beginning in 1991.

The first step of the screening process is relatively simple, according to PNS, and the second step involves completing documents with 20 or so necessary items of information including birth certificates and proof of employment.

Regarding the required proof of employment, PNS said there are a number of firms in the U.S., including trading companies, for which it can provide introductions. But the company "cannot accept any responsibility" for the outcome of such introductions.

At the close of last year's application deadline in October, the U.S. had some 17 million applications to immigrate and the first screening has been completed for about 50,000, PNS said.

PNS said it expects to handle some 20,000 customers this year and next year.

Minister Hata Returns From U.S., European Trip

OW0105075992 Tokyo KYODO in English 0719 GMT 01 May 92

[Text] Tokyo, May 1 KYODO—Finance Minister Tsutomu Hata returned to Narita Airport Friday afternoon from a trip to the United States and Europe.

Hata attended last weekend's meeting of finance ministers and central bankers from the Group of Seven economic powers in Washington before travelling to meet his counterparts in Frankfurt and London, as well as British Prime Minister John Major.

Next week, Hata will be in Hong Kong to participate in the annual meeting of the Asian Development Bank. The bank's fourth capital increase will be the top agenda item.

Miyazawa Cites Europe, U.S. Support on Dispute

OW3004235392 Tokyo KYODO in English 2335 GMT 30 Apr 92

[Text] Bonn, April 30 KYODO—Prime Minister Kiichi Miyazawa expressed confidence Thursday that the Group of Seven (G-7) major industrialized countries would take a common stand of supporting Japan's bid for the return of four disputed islands from Russia.

He said at a news conference he won the support of France and Germany for the Japanese campaign through his talks with President Francois Mitterrand in Paris and German Chancellor Helmut Kohl in Bonn.

Miyazawa, capping his trip to the two countries, noted that U.S. President George Bush and British Prime Minister John Major had endorsed the Japanese stand on the territorial row with Russia.

Saying Italian and Canadian leaders have also demonstrated their backing of the Japanese bid for the return of the islands off Hokkaido, Miyazawa said, "there is growing consensus that G-7 would consider (the island issue) from a common position."

As in his talks with Mitterrand, Japanese officials said, Miyazawa told Kohl that a resolution of the territorial dispute with Russia is a prerequisite for substantial Japanese economic aid to Russia and other member countries of the Commonwealth of Independent States (CIS).

At a luncheon he hosted for Miyazawa, Kohl pledged to relay to his European counterparts Japan's wish to become a party to the Conference on Security and Cooperation in Europe (CSCE).

Japanese officials said they expect Kohl to take up the Japanese request at a CSCE summit which will take place after the Munich economic summit of the United States, Japan, Germany, France, Italy, Canada, and Britain on July 6-8.

Polish Minister Proposes Regular Consultations

OW0105001192 Tokyo KYODO in English 0002 GMT 01 May 92

[Text] Warsaw, April 30 KYODO—Polish Foreign Minister Kryzsztof Skubiszewski said Thursday that Poland has strong interest in a territorial dispute between Japan and Russia because of its bearing on other territorial claims facing Russia.

Skubiszewski made the remark in a meeting with Tamisuke Watanuki, secretary general of Japan's ruling Liberal Democratic Party (LDP), Japanese officials said.

"Stability in Russia is important for Japan," a Japanese official quoted Watanuki as telling Skubiszewski.

The Polish minister asked Japan to procure East European goods and materials for shipment to the former Soviet republics, map out a long-term aid strategy for Eastern Europe, and promote investment in Poland, the officials said.

They said Skubiszewski proposed regular consultations between Poland and Japan to facilitate dialogue on these and other issues.

In a separate meeting with Watanuki earlier in the day, Polish President Lech Walesa called for greater Japanese investment in his country to help transform Poland into an efficient market economy.

'Focus of Interest' of Watanabe's Russian Visit

OW0105061692 Tokyo KYODO in English 0600 GMT 1 May 92

[Text] Tokyo, May 1 KYODO—Foreign Minister Michio Watanabe is expected to hold talks with Russian President Boris Yeltsin in Moscow on May 4, with a long-standing territorial issue high on the agenda, making it the major event scheduled for next week.

He also will meet his Russian counterpart Andrey Kozyrev on May 3 and 4 for their second regular foreign ministerial meeting. The two ministers held their first regular meeting in Tokyo in March to pave the way for Yeltsin to visit Japan in September.

The government hopes Yeltsin's first official visit to Japan will provide an opportunity to achieve a breakthrough in the dispute over Japan's claim to sovereignty over four islands off eastern Hokkaido, seized by troops of the former Soviet Union at the end of World War II.

Russia apparently hopes to obtain massive economic assistance from Japan, which is sticking to a long-standing policy of not separating politics from economics, meaning it will not extend such aid until a bilateral peace treaty is concluded.

The focus of interest at the upcoming talks will be how Yeltsin reacts to Japan's two-stage proposal for the return of the islands.

Under the proposal, recently put forward by Watanabe, Russia would return Shikotan and the Habomai group of islets immediately after a peace treaty was concluded, while the two larger islands, Kunashiri and Etorofu, would remain under Russian administration for the time being provided that Moscow acknowledged Japan's sovereignty over them.

Former Prime Minister Noboru Takeshita plans to visit China from May 5 to 8 prior to his scheduled visits to the

United States and Brazil from May 26 to June 8 to attend the third meeting of former finance ministers of the Group of Seven (G-7) major industrial countries in New York and the "Earth Summit" conference in Rio de Janeiro.

Takeshita's scheduled talks with Prime Minister Li Peng and other Chinese leaders will be watched closely as they come on the heels of the recent visit to Japan by Jiang Zemin, general secretary of the Chinese communist party, marking the 20th anniversary of normalization of diplomatic relations between the two countries.

In early April, Jiang received a lukewarm response from Japanese leaders toward China's renewed invitation to Japanese Emperor Akihito to visit the country, putting a slight strain on a bilateral relationship that both countries have tried to improve since the sanctions that followed the 1989 military crackdown on pro-democracy demonstrators in Beijing, diplomatic sources said.

The Japanese Government will delay a final decision on the emperor's visit as some hard-line conservative politicians within the ruling Liberal Democratic Party are strongly opposed to it, saying it might be used for political purposes.

Meanwhile, Japan is expected to play a key role in two international economic meetings scheduled for next week—in Hong Kong and Munster, Germany, where economic and technical assistance to the developing countries, the former Soviet Union, and Eastern Europe will be discussed, government officials said.

The Asian Development Bank (ADB) will hold its annual ministerial meeting in Hong Kong from May 4 to 6, with its first capital increase in nine years and the planned membership of six former Soviet republics in Central Asia high on the agenda. Finance Minister Tsutomu Hata will represent Japan at the meeting.

Japan and the United States are the largest subscribers—each holding an equity share of 16.3 percent—in the regional bank, which has ordinary paid-up capital of 22.2 billion dollars, while the bank's outstanding loans total some 22 billion dollars, leaving little room for further lending.

The amount of capital increase remains to be decided, but Japan is expected to be asked to take a larger share in view of the growing reluctance of the United States to carry a greater financial burden for international organizations, according to international finance sources.

The president of the ADB, Kimimasa Tarumizu, has said the 52-member bank hopes to implement its fourth capital increase in 1994, and it may total about 25 billion dollars. In addition, the bank's soft loan window, called the Asian Development Facility, will be increased up by 4.2 billion dollars by 1995, with Japan likely to be the largest subscriber.

He said the bank will invite the six Central Asian republics—Turkmenistan, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and Azerbaijan—as well as Russia to attend the upcoming meeting as observers. They are to be admitted as members in the near future. North Korea's entry may also be discussed, although it has not officially announced its intention to join the bank.

International Trade and Industry Minister Kozo Watanabe is expected to attend a joint meeting of economics and trade ministers from the G-7 as well as the former Soviet Bloc nations in Munster on May 8 and 9.

The meeting is considered important as it aims to help the former communist nations switch to market-oriented economies with Western know-how, through such steps as converting military industries to making consumer-oriented products, fostering smaller industries, introducing competition among businesses, invigorating regional trade, and enacting laws to attract Western investment.

Japan will send an economic mission to visit four countries in Southern Africa from May 9 to 23, with emphasis on a study of developments in South Africa, Foreign Ministry officials said.

The mission, headed by Masamichi Fujimori, chairman of the African Committee of the powerful Federation of Economic Organizations (Keidanren), will include executives of manufacturing companies, trading houses, and financial institutions, as well as officials from the Ministry of International Trade and Industry, the Export-Import Bank of Japan, and the governmental overseas economic cooperation fund.

Creation of 'Asian G-7' Reportedly Sought

OW0105103192 Tokyo KYODO in English 1016 GMT 01 May 92

[Text] London, May 1 KYODO—Japan is pushing for the formation of an Asian version of the Group of Seven (G-7) economic powers that will meet regularly to discuss macroeconomic issues, economic aid, and other matters, a financial source said Friday.

Finance ministers and central bank governors from the G-7 nations—Japan, the United States, Canada, Britain, France, Germany, and Italy—meet regularly to discuss such issues.

When Finance Minister Tsutomu Hata visited his counterparts in the U.S. and Europe he explained on behalf of Asian countries the situation in the region, said the source who had accompanied Hata on his trip to the U.S., Germany, and Britain.

Tokyo felt a need to create an "Asian G-7" to have the views of Asia's budding economic powers better reflected in future policy, the source said.

Japan will informally explain its views on the creation of such a forum to Asian representatives at the annual meeting of the Asian Development Bank beginning Monday in Hong Kong.

Tokyo hopes to form a consensus on the creation of such a forum, the source said.

Study on Asia-Pacific Gas Pipelines Begun

OW0105091092 Tokyo KYODO in English 0839 GMT 01 May 92

[Text] Tokyo, May 1 KYODO—A group of Japanese experts have begun a feasibility study to build a natural gas pipeline that would stretch 27,000 kilometers from Sakhalin, Russia to the western part of Australia, a private research group said Friday.

The National Pipeline Research Society of Japan, headed by Masaru Hirata of Shibaura Institute of Technology, had devised the project to promote economic and technical cooperation among Asian-Pacific countries in the use of energy.

Last December, the society held a symposium in Japan which proposed development of a 3,300-kilometer natural gas pipeline from Hokkaido to Kyushu, as part of an "Asia and Pacific energy community project" advocated by Hirata.

The pipeline would cost an estimated 3 trillion yen.

The society will send Japanese technical experts to six countries in Asia, including South Korea, Thailand and Malaysia, from May 11, to hold talks on plans for the project, the research group said.

The envisaged pipeline would stretch from Sakhalin in Russia, along the eastern coast of China, to Malaysia and Indonesia, and connect with Australia.

Another pipeline would run from Sakhalin to Hokkaido in Japan, pass through the Japanese archipelago, and connect with Taiwan and Hong Kong.

A third pipeline connecting Hokkaido, the Kamchatka Peninsula and Alaska is still under study, the research group said.

The costs to build such a pipeline have been estimated at about 100 million yen per kilometer, but the project would expand demand for natural gas and contribute to preservation of the global environment, the group said.

Natural gas emits only about half the carbon dioxide given off by coal and about two-thirds of that released by oil in generating the same amount of energy.

British Syndicate To Get Into Insurance Market

OW0105015592 Tokyo KYODO in English 0121 GMT 1 May 92

[Text] London, April 30 KYODO—Japan is ready to give approval for the British insurance syndicate Lloyd's of London to enter the Japanese insurance market, a Japanese official accompanying Finance Minister Tsutomu Hata in his visit to London said Thursday.

Informal notification of the decision has already been given to the British authorities, the official said.

The approval will be granted on condition that Lloyd's continues to abide by rules governing its operations in Britain, he said.

Japan's Finance Ministry had been hesitant to admit Lloyd's because its structure is different from that of a corporate body or a joint-stock company.

The ministry has now decided, however, to grant approval on the recommendation of its Insurance Council in late May, the official said.

Prime Minister Miyazawa Begins Visit in Germany

WA0105105492

For European reportage on the visit by Prime Minister Kiichi Miyazawa to Germany, including reports on his talks with Chancellor Helmut Kohl, please see the GERMANY section of the 30 April West Europe DAILY REPORT and subsequent issues.

Diet Leaders Leave for Mongolia, PRC Tours

OW0105053292 Tokyo KYODO in English 0342 GMT 1 May 92

[Text] Tokyo, May 1 KYODO—The leaders of Japan's two houses of parliament left Tokyo on Friday on separate visits to China and Mongolia.

Yoshio Sakurauchi, speaker of the House of Representatives, the lower house, left for Beijing to attend the 40th anniversary of the founding of the China Council for the Promotion of International Trade.

Before returning to Tokyo on Monday, Sakurauchi is scheduled to meet Premier Li Peng, Chairman of the National People's Congress Standing Committee Wan Li, and three vice premiers—Zhu Rongji, Tian Jiyun, and Wu Xueqian.

Yuji Osada, president of the House of Councillors, the upper house, departed for Ulaanbaatar, where he will have talks with Mongolian President Punsalmaagiyn Ochirbat and Prime Minister Dashiyn Byambasuren.

Before returning to Japan on Tuesday, Osada will stop in Beijing for talks with Wan Li.

Miyazawa Welcomes Burma's Freeing of Prisoners

OW0105091592 Tokyo KYODO in English 0904 GMT 01 May 92

[Text] Tokyo, May 1 KYODO—Prime Minister Kiichi Miyazawa welcomed a move by Myanmar's [Burma] new ruling military junta to release political prisoners, a Foreign Ministry spokesman said Friday.

In a letter to the new chief of the junta, Gen. Than Shwe, Miyazawa said Japan has been encouraged by the

Myanmar Government's recent decision to release dissidents from jail, spokesman Masamichi Hanabusa told a regular news conference for foreign reporters.

Hanabusa quoted Miyazawa as saying Japan hopes that Myanmar's military government will accelerate a transfer to democracy.

Miyazawa also said Japan is waiting for further developments, Hanabusa said.

On April 23, Than Shwe succeeded as head of Myanmar's ruling military junta, replacing Gen. Saw Maung who resigned due to poor health.

The new military junta has freed 38 political prisoners, and has promised to allow the country's prominent dissident Aung San Suu Kyi to see her family. The Nobel Peace Prize winner has been under house arrest since July 1989.

Hata Rules Out Additional Economic Measures

OW0105105092 Tokyo KYODO in English 1037 GMT 1 May 92

[Text] Tokyo, May 1 KYODO—Finance Minister Tsutomu Hata, back from meetings in the United States and Europe, said Friday he has no immediate plan to work out additional measures to support the economy.

Hata said the Finance Ministry is monitoring effects of an emergency economic package and the Bank of Japan's cut in the official discount rate.

The economic package adopted at the end of March featured the front-loading of outlays earmarked for public works projects in fiscal 1992, which began April 1. The discount rate was lowered by 0.75 percentage point to an annual 3.75 percent April 1.

"Now that a decision on the public works spending has been made, it is natural to confirm its effects," he told a news conference.

Hata returned to Tokyo on Friday after a meeting of the Group of Seven (G-7) major industrialized nations and other sessions in Washington, and meetings with counterparts in London and Frankfurt.

He said he does not feel Japan came under pressure to further expand domestic demand as a result of a joint statement issued at the end of the G-7 meeting.

The G-7 comprises Britain, Canada, France, Italy, Germany, Japan, and the United States.

Hata declined to comment on reports Russian President Boris Yeltsin is opposed to economic reforms in the country under the management of the International Monetary Fund.

He said preparations are being made by the G-7 countries to hold an emergency meeting in June before the Munich summit to discuss aid to the former Soviet Union.

He welcomed the common view expressed by G-7 nations [that] the value of the yen is too low in view of Japan's economic fundamentals.

Banks' Takeover of Loan Fraud Bank Praised

OW0105124892 Tokyo KYODO in English 1202 GMT 01 May 92

[Text] Tokyo, May 1 KYODO—Finance Minister Tsutomu Hata on Friday praised Sanwa Bank and other financial institutions for agreeing to take over the deficit-ridden Toyo Shinkin Bank in Osaka.

Hata, on returning to Tokyo from a tour of Europe, told reporters that various financial institutions involved made the difficult decision to protect Toyo Shinkin employees and prevent a potential financial crisis in the bank's service territory.

Under an agreement announced earlier, Toyo Shinkin is to be split up and absorbed by Sanwa, a major commercial bank, and credit associations operating in Osaka Prefecture.

Toyo posted huge debts in the largest loan fraud scandal in Japan's history.

In notes exchanged Friday with nine nonbank financial institutions, Toyo agreed to repay in cash 57.8 percent of its debts to them October 1, bank officials said.

They said Toyo will pay 118.5 billion yen of its total debts of 205 billion yen with the help of the Industrial Bank of Japan, the government-backed Deposit Insurance Corp., and the Zenshinren Bank, a national association of credit associations.

Tax Revenue 'Shed 3.5 Percent' From Year Ago

OW0105124192 Tokyo KYODO in English 1152 GMT 01 May 92

[Text] Tokyo, May 1 KYODO—Japan's general account tax revenue in March, dampened by a drop in revenue from income and corporate taxes, shed 3.5 percent from a year earlier to 3,244.32 billion yen, the Finance Ministry announced Friday.

Marking the first yearly decline since last August, the figure led the aggregate tax revenue between April 1991 and March 1992 to gain 1.2 percent from the same period a year earlier to 44,595.13 billion yen.

In the supplementary budget for fiscal 1991, the government had projected its fiscal 1991 tax revenue will drop 1.9 percent.

But corporate tax, which will be counted as part of the fiscal 1991 tax revenue until the May collection, is expected to fall sharply due to sluggish business performances.

As a result, a ministry official said that although the "yellow signal" has not yet been lit, it is uncertain whether the government target can be achieved.

In March, revenues from income tax dropped 13.6 percent to 1,331.12 billion yen.

Declared income tax revenues slumped 12.5 percent, due in part to technical reasons, while those collected at source plummeted 14.3 percent, drawn down by a drop in stock sales.

Revenues arising from corporate tax dropped 9.0 percent to 484.79 billion yen, while those from taxes imposed on securities transactions dived 53.1 percent to 32.49 billion yen.

Consumption tax revenue more than doubled to 276.51 billion yen, as sales of shinkansen "bullet" trains contributed to boosting the figure.

Inheritance tax revenue also gained 11.5 percent to 444.98 billion yen.

Firms Post Worst Profit Fall Since Mid-1970's

OW3004121892 Tokyo KYODO in English 1103 GMT 30 Apr 92

[Text] Tokyo, April 30 KYODO—Japanese companies' unconsolidated pretax profits for fiscal 1991, which ended on March 31, are believed to have posted the steepest fall since fiscal 1975 immediately after the first international oil crisis, according to a think tank research chief.

Sakae Murakami, director and general manager of the No. 1 corporate research department at the Wako Research Institute of Economics affiliated with Wako Securities Co., made the comment in a recent interview with KYODO News Service.

Murakami also forecast that full recovery in Japanese corporate performance will not start until early next year.

He added [word indistinct] Japanese corporate profits for fiscal 1992 are most likely to record a third consecutive annual fall, the first such phenomenon in the postwar period.

Most of the Japanese companies closing their books on March 31 are scheduled to publish their fiscal 1991 financial statements next week after the Golden Week holidays, which started on Wednesday.

Murakami, whose institute had forecast a pretax profit fall of about 15 percent for those companies in early March, said the drop is now likely to be 4 to 5 percentage points greater.

That would be the steepest fall since fiscal 1975 when companies closing the books at the end of March 1976 recorded a pretax profit fall of 48.5 percent, Murakami said.

He predicted profit drops would be most pronounced for the manufacturing sector, especially machinery manufacturers, which are dependent on capital spending.

Sony Corp. appears to have posted a 20 billion yen operating loss, the largest such loss for the company, while steel and chemical manufacturers are saddled with excess inventories and are expected to report sharply lower earnings, Murakami said.

Among various industries, only the food and shipbuilding industries are likely to report higher sales and profits, he said.

Fiscal 1991 Construction Orders 'Leveled Off'

OW0105084692 Tokyo KYODO in English 0830 GMT 01 May 92

[Text] Tokyo, May 1 KYODO—Orders received by 54 member companies of the Japan Federation of Construction Contractors in fiscal 1991 increased a marginal 0.1 percent from the previous year to a record 26,634.6 billion yen, the federation reported Friday.

Orders for the year, which ended on March 31, leveled off, with increased orders from the public sector offsetting decreased private sector demand, federation officials said.

The 0.1 percent rise represented a sharp slowdown from the 22.8 percent increase in construction orders in the previous year, although the order value renewed the record for the ninth consecutive year.

The federation said orders from the private sector decreased 3.5 percent from the previous year to 19,120.7 billion yen for the first drop in nine years.

Orders from the public sector, meanwhile, increased 12.1 percent to 6,697.1 billion yen.

The federation said there were brisk public-sector orders in connection with the ongoing construction of the Kansai International Airport on a man-made island in Osaka Bay and the highway across Tokyo Bay.

The federation said one-third of the member companies responding to questionnaires forecast construction orders in fiscal 1992, ending next March 31, will record a slow year-on-year increase of 0 to 5 percent.

Housing Sector Said To Show Signs of Recovery

OW3004130292 Tokyo KYODO in English 1136 GMT 30 Apr 92

[Text] Tokyo, April 30 KYODO—Despite a sharp 19.4 percent drop in housing starts in fiscal 1991, the

housing industry is showing signs of recovery due to such factors as lower rates for housing loans, industry analysts said Thursday.

The Construction Ministry announced Thursday that housing starts for fiscal 1991, which ended last March, fell for the second straight year to 1,342,977.

Real estate industry officials say a further drop in housing starts is unlikely.

"The number of housing starts in fiscal 1992, which began on April 1, will probably reach the optimum level of about 1.3 million," said an official at Mitsui Fudosan Co.

Construction of owner-occupied houses, which is leading the rebound, rose for two successive months in February and March, while construction of rental housing in March posted a rise for the first time in 20 months.

But starts for condominiums remain slack. Thus, condominium construction holds the key to the timing of a full recovery in the housing sector, industry analysts said.

Tokyo To Ban Making, Using Ozone Destroyers

OW3004130592 Tokyo KYODO in English 1017 GMT 30 Apr 92

[Text] Washington, April 29 KYODO—Japanese International Trade and Industry Minister Kozo Watanabe said Wednesday that Japan will completely stop producing and consuming chemicals which deplete the ozone layer by the end of 1995, five years earlier than its original target.

Watanabe informed William K. Reilly, administrator of the U.S. Environmental Protection Agency, of Japan's policy to cut production of ozone-depleting chemicals, such as chlorofluorocarbons (CFCs), halons, and carbon tetrachloride, by December 31, 1995, Japanese officials said.

Under an international agreement reached in London in 1988 to revise the previous 1986 agreement known as the Montreal Protocol, the year 2000 was set as the deadline for industrialized nations to cease production of ozone-depleting substances.

But with evidence mounting that the destruction of the ozone layer is spreading faster than expected, a new target of January 1, 1996 is to be considered at a Copenhagen conference scheduled for November, the officials said.

Taking this into consideration, Japan's Ministry of International Trade and Industry (MITI) and Environment Agency studied bringing forward by five years the target date for the total abolishment of the deadly chemicals, they said.

According to MITI, the government came to the conclusion that it is possible technically and economically to totally stop producing another ozone destroyer, trichloroethane, as well by the end of 1995. The 1988 London agreement set 2005 as the deadline for this chemical.

Nissan, Others Said Phasing Out Use of CFC's

OW3004144392 Tokyo KYODO in English 1348 GMT 30 Apr 92

[Text] Tokyo, April 30 KYODO—Big Japanese companies, including major automakers, said Thursday they have stopped or are phasing out use of chlorofluorocarbons (CFCs) considered harmful to the ozone layer, while the government said it will help smaller firms give them up.

Nissan Motor Co. said Thursday it stopped using CFC-113 as a cleaning agent for parts and CFC-11 as a urethane foaming agent in producing seats and bumpers as of Monday at plants in Japan and overseas.

Nissan officials said the company still uses the harmful CFC-12 as a car air conditioner refrigerant, but its use will be phased out by the end of 1994. They said hydrofluorocarbon, a safe chemical, will be phased in as an alternative refrigerant.

Other big businesses generally said Thursday they are already working to phase out the use of harmful types of CFCs far or somewhat ahead of a government deadline.

International Trade and Industry Minister Kozo Watanabe told the U.S. Environmental Protection Agency chief in Washington on Wednesday that Japan will phase out production and use of harmful CFCs by the end of 1995.

In Japan, 110,000 tons of harmful CFCs are used annually. CFC-12 is used as a refrigerant, CFC-11 as an aerosol propellant, and CFC- 113 as a cleaning agent, mainly at factories producing electronic components and precision instruments.

Toyota Motor Corp. said its use of harmful CFCs will be phased out by the end of 1994.

New models marketed by Japanese automakers this year are mostly fitted with air conditioners which use harmless substances as refrigerants.

Fujitsu Ltd. and Seiko Epson Corp. said they decided to stop using CFC 113 by the end of fiscal 1992, and Hitachi Ltd. and Sony Corp. said they will stop by the end of 1993.

Small businesses said the replacement of CFC-113 with a safe cleaning agent, such as harmless CFCs, demineralized water, or alcohol, will be very costly.

Government officials said they will instruct local governments or the small and medium enterprise agency to give more effective technical guidance to small companies on the use of safe CFCs or other cleaning agents.

The officials said low-interest loans from government financial institutions will be made available to such businesses to help finance facilities for the use of safe cleaning agents.

Ministry Estimates Results of Rising Sea Level

OW3004131192 Tokyo KYODO in English 1225 GMT 30 Apr 92

[Text] Tokyo, April 30 KYODO—A one-meter rise in sea levels would cost 11.5 trillion yen in reinforcement of embankments and breakwaters in Japan's densely populated coastal areas, a Transport Ministry report said Thursday.

A ministry committee estimated the figure on the assumption that global warming will cause a one-meter rise in sea levels by the year 2100, officials said.

The report said if the sea levels rise by one meter, earthquakes would cause flooding of reclaimed lands and areas along the country's coastline.

Authorities will thus have to take such disaster prevention measures as reinforcing embankments and breakwaters to protect residents, which would cost a total of 11.5 trillion yen by the year 2100, it said.

The committee estimates that the cost of raising breakwaters would be 2.45 trillion yen, while that of transferring water gates and drainage facilities to other sites would be 1.6 trillion yen.

In last December's interim report, the committee also said that if the sea levels rose one meter, some 17.7 million residents nationwide could suffer damage from high tides.

Mongolia

Prime Minister Receives Vietnamese Envoy 17 Apr

BK2804133392 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 18 Apr 92

[Text] On 17 April, Mongolian Prime Minister Byambasuren received Comrade Ta Ngoc Ngan, our country's ambassador to Mongolia. The prime minister informed Ambassador Ta Ngoc Ngan of his country's process of renovation in the struggle to overcome all current difficulties, reorganize the economic structure, democratize social life, and promulgate the new Constitution.

Regarding the relationship between Mongolia and Vietnam, the prime minister said: The two countries have a time-honored tradition of solidarity and friendship. However, due to the numerous changes in the world as well as in the two countries, it is necessary to vigorously renovate that relationship, both in terms of substance and form, to conform with the policies of renovation of both sides on the basis of cooperation and mutual assistance and benefit. This is aimed at creating favorable conditions for the two countries to develop.

SAN-PRESS News Agency Established

LD3004144892 Moscow ITAR-TASS in English 0744 GMT 30 Apr 92

[By ITAR-TASS correspondent Dugar Sanzhiev]

[Text] Ulaanbaatar April 30 TASS—One more information agency has been formed in Mongolia—the SAN-PRESS. This is the third news agency in the country, besides MONTSAME and the "MONGOLYN DUU KHOLOI" (THE VOICE OF MONGOLIA), set up early this year. The new agency works on commercial lines.

SAN-PRESS director-general D. Namhai told ITAR-TASS that the agency was open for business cooperation with similar state and private organisations in other countries, primarily neighbouring states. It has already established contacts for this purpose with journalist circles in Moscow, Irkutsk, Ulan Ude, Chita and Kyzyl, and plans to eventually expand its sphere of activities to Europe and the Asian-Pacific region.

"It is particularly important to promote a mutually useful exchange of information at a time when Mongolian society is being reformed and renovated, when similar processes are taking place in other countries of the former socialist community," Namhai said.

Bureau Reports Indicators of Economic Health

OW1804105192 Beijing XINHUA in English 0718 GMT 18 Apr 92

[Text] Ulaanbaatar, April 18 (XINHUA)—Almost all indicators of Mongolia's economic health in the first quarter of this year are lower than those in the same period last year, the newspaper PEOPLE'S RIGHT reports.

Quoting a communique issued by the Central Statistical Bureau, the newspaper says some 3.4 million lambs were bred in the first three months of this year, fewer than the figure registered for the same period in 1991, while 11,300 more lambs were lost during the first quarter of this year.

The output value of the industrial sector was about 35 million U.S. dollars in the first quarter of this year, 17.7 percent down on the figure for the corresponding period last year.

Among the 80 main types of industrial products listed in the communique, 71 registered an output lower than that of the same period last year.

The communique says the value of exports was 53.5 million dollars and the value of imports was 61.9 million dollars, respectively 11.3 percent and 13.4 percent down on the 1991 figures.

North Korea

Military Subcommittee Meeting Detailed

SK0105035092 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 30 Apr 92

[Text] The third meeting of the Military Subcommittee of the North-South high-level talks was held yesterday [30 April] at the Tongil House on our side's area of Panmunjom. The chairman of the Military Subcommittee of the North-South high-level talks and six members of the subcommittee from our side and the chairman and six members of the subcommittee from the South attended the meeting.

The meeting was held in an open session. Our side's chairman spoke first.

He said that almost 50 days have passed since the Military Subcommittee of the North-south high-level talks began its work, but it remains at its starting point without advancing even one step forward. Then he outlined our view on some problems in promoting the Military Subcommittee meeting.

He stressed that both sides should have the will to honestly implement the North-South agreement, be sincere about actually resolving the peace question, and discard the attitude and stand of depending on outside forces.

He pointed out in detail the differences in both sides' opinion that were revealed in the two rounds of the Military Subcommittee meetings. He stressed that the discussion of the annexed agreement and the agreement on the formation and operation of the Military Joint Committee must be completed before the seventh North-South high-level talks so that they can be effectuated at the seventh full-dress meeting.

In order to accomplish this, he stressed that at today's meeting both sides should discuss the annexed agreement in a substantial manner, complete the discussion of the agreement on the formation and operation of the Military Joint Committee and the annexed agreement, think about the expectation and desire of fellow countrymen who ardently want the North-South agreement to be implemented at the earliest possible date, and act in conformity with these expectations and desires. He expects that the South side will respond affirmatively.

The chairman of the South side spoke next. Under the pretext of steering the talks more productively and effectively, he again brought up the principle of solutions to questions between the parties concerned; the principle of maintaining balance among relevant issues; and the principle of ensuring the implementation of agreements. Our side has refuted all of these principles by exposing their intention. The South had brought these principles up in an attempt to stop us from taking issue with the United States, which is meddling in the question of the reunification of the Korean peninsula and the question of peace; in order to evade discussing the crucial core problems; and to justify at any cost the absurd argument of discussion first and adoption next.

Saying that the annexed agreement should be discussed after the formation of the joint committee and written by it, he made the unwarranted remarks that the joint committee should be formed as a consultative body, an implementing body. He repeated the old unjust argument that the formation and operation of the joint committee and the installation of a hotline should be discussed before anything else. He then presented the so-called draft of the annexed agreement.

In response, saying that the South side's presentation of the draft of the annexed agreement, though late, is fortunate although its content and form are lacking, our side stressed that the South side's presentation of the draft of the annexed agreement not only proves that our side's assertion is just, but also provides the basis for the discussion between both sides. Then our side pointed out the unjustice of the three principles brought forward again by the South side.

Our side made it clear that if the principle of resolving the issues between the two parties advocated by the South side were intended to eliminate interference from outside forces and solve all problems from the standpoint of indepencence then we would welcome it, but that if it has even the slightest insidious notion of applying brakes to our firm position to settle and liquidate the United States' harmful acts then we would thoroughly reject it.

The South side made the self-contradictory assertion that it welcomes our view that the annexed agreement should include all matters concerning nonaggression, that there is some feasibility in our view that the annexed agreement should be made one plan, and that an annexed agreement should be adopted to provide work for the pending joint committee, but that it is unreasonable to make the adoption of the annexed agreement a precondition for forming the joint committee.

Our side refuted the South side's clumsy vindication of its delaying tactics and questioned whether the South side has the will to have the annexed agreement and the agreement on the formation and operation of the joint committee effectuated at the seventh round of North-South high level talks. At this, the South side said that it had meant that it agrees with our view. Taking this assertion by the South side into consideration, our side agreed to enter discussions on the formation and operation of the Military Joint Committee.

In the discussion of the formation and operation of the Military Joint Committee, the two sides agreed on the number of members of the joint committee, the cycle, venue, and form of its meeting, and on the creation of a working consultative council to assist the joint committee in its work. However, the two sides agreed to continue the discussion next time, as they failed to adjust

opinions on the rank of the chairman of the joint committee, its function, and the procedure of its effectuation.

In the discussion of the annexed agreement, our side proposed to produce a single annexed agreement with comprehensive contents, while the South side insisted on deciding the matter according to the results of discussion. Then the South side proposed that the two sides discuss the installation of a hot line. Our side pressed the South side hard on the unjust attitude and position in coming to the meeting. Therefore, the two sides entered into discussion on the draft of the annexed agreement. However, the South side insisted that the two sides discuss its draft annexed agreement, whose contents are confusing and irrelevant to the North-South agreement. At this, our side pressed the South side hard for not studying the draft annexed agreement given by our side a long time before this meeting. Our side then urged the South side to offer a draft annexed agreement faithful to the clauses of the North-South agreement and the agreement on the formation and operation of the subcommittee suited to the spirit of these agreements, if it intends to reach agreement on the draft annexed agreement.

Our side said that although the South side calls for the formation of the joint committee, it displayed a position of having no intention to effectuate the annexed agreement. Our side then strongly criticized the South side again for trampling without hesitation the promise it had made to the entire nation for reconciliation and unity. Our side urged the South side to deeply study our draft of the annexed agreement and to produce a draft annexed agreement suited to it, if it intends to bring the annexed agreement into effect.

Light Industry Development, Production Detailed

SK2904154792 Pyongyang KCNA in English
1501 GMT 29 Apr 92

[Text] Pyongyang April 29 (KCNA)—The light industry of Korea meets with its products the growing demand of the people for consumer goods from textiles to articles for cultural use and general merchandise.

Today the powerful light industry with multi-faceted structures has been built in Korea under the wise guidance of the great leader President Kim Il-song.

Before the liberation of the country Korean light industry produced no more than 14 cm of cloth per capita and could not make properly even pencils, pens and buttons.

After the liberation in August 1945, President Kim Il-song put forward the policy of building an independent and modern light industry in a short period and indicated its ways and orientation. Giving on-the-spot guidance to all parts of the country, he made sure that large-scale central light industrial factories were solidly built up and minor local industrial factories constructed on a large scale through an all-people movement. More than 1,000 local industrial factories cropped up in a few months after the June, 1958, plenary meeting of the Central Committee of the Workers' Party of Korea and upward of 2,000 on the occasion of the Changsong joint conference of local party and economic functionaries in August 1962 and the National Conference of Workers in Local Industry in February 1970, with the result that all the counties of the country turned into all-around consumer goods production centres.

President Kim Il-song directed big efforts to building and expanding modern light industrial factories while founding new industrial domains relying on domestic raw materials such as vinalon and vinyl chloride in order to increase the independence of the light industry. The September textile mill and the Sariwon textile mill were commissioned and new equipment with a capacity of 15 million pieces of knitted upper garments was installed during the six-year plan (1971-1976). In this period the yearly production capacity of textiles topped 600 million metres and the output of sweaters and jackets jumped 6 times, underwear 1.6 times and socks and stockings 1.8 times.

A large-scale cornstarch factory was built in each province and comprehensively mechanized riced corn factories made their appearance in all cities and counties.

Above 140 riced corn, cornstarch and foodstuff factories were expanded and equipped with new technologies and 66 oil factories built in a few months of 1977. The footware production leaped 2.4 times in this period.

In the 1980s the first-stage project of the Sunhon Vinalon Complex was completed and 40 odd major objects of light industry were commissioned to immensely increase the independence and might of light industry.

Today Korea is effecting a new turn in the development of light industry in order to more satisfactorily solve the question of food, clothing and housing for the people and radically enhance the people's living standard.

Senior Officials Attend May Day Celebration

SK3004114492 Pyongyang KCNA in English
1049 GMT 30 Apr 92

[Text] Pyongyang April 30 (KCNA)—A meeting celebrating May Day, an international holiday of the working class the world over, was held here today.

Present there were Pak Song-chol, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and vice-president; party and government senior officials; working people in Pyongyang, and foreigners staying in Korea.

Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee, delivered a report.

In his report he said the history of the struggle of the working class charged with the lofty mission to smash the chains of capital and build a new world free from exploitation and oppression is the course of making a breakthrough in the stronghold of capitalism and hewing

out the road of revolution with the might of unity, overcoming manifold difficulties and ordeals under the motto "Workers of all lands unite!"

The reporter quoted the great leader Comrade Kim Il-song as saying:

"Leading an equally happy life in a free and peaceful world, without domination, subjugation, aggression and war, is mankind's ideal which is derived from the social nature of independent man, and aspiring to such a world is the basic trend of historic development."

It is the main trend of our times which no force can check that the working class and other people the world over are advancing along the genuine road of human emancipation, the road of independence, as masters of their destiny, and the initiative to develop human history at present is not in the hands of the imperialists and colonialists but in the hands of the people who are fighting against imperialism and for peace, national independence and social progress, the reporter said, and continued:

The revolutionary cause of the working class is, in essence, the cause of independence, the cause of socialism, and in order to accomplish their historical cause, the working class should, first of all, firmly build up their internal revolutionary forces under the party's leadership, their vanguard detachment and, relying on it, make a successful revolution in their countries.

Our party and people have triumphantly waged a long and rigorous struggle for sovereignty, independence and socialism on the basis of strengthening the driving force of revolution, bearing in mind the sacred cause and noble responsibility for the Korean revolution and the world revolution under the wise guidance of the great leader Comrade Kim Il-song.

An acute struggle is going on between socialism and imperialism and between progress and reaction on the international arena.

With a wild ambition to totally stamp out socialism, revive the colonial domination system to realise the worldwide domination of imperialism, the imperialists are resorting to craft maneuvers to put a military and political pressure on socialist countries and threaten them, economically bribe and subjugate them, degenerate them ideologically and culturally and divide and disorganize them.

But no matter how desperately the imperialists and reactionaries may try, they cannot reverse the trend of history towards an independent new world.

It is the necessity of history that imperialism goes to ruin and socialism triumphs.

Under the situation where the imperialists and reactionaries have formed allied forces and are now viciously scheming to stifle socialism and the world progressive forces, the working class and other people the world over should strengthen comradely unity and cooperation and bonds of solidarity on the principle of independence and equality.

The Workers' Party of Korea and our people will develop friendly and cooperative relations with the peoples of the socialist countries and those of the nonaligned countries and the world progressive countries in the idea of independence, peace and friendship and actively support and encourage the peoples of all countries in their struggle for sovereignty, peace, national independence and social progress and thus make a positive contribution to the common cause of mankind for global independence.

Today it is very important to further develop the peace movement. We will make all efforts to check and frustrate the imperialists' moves of aggression, intervention and sabotages, have nuclear weapons and other mass destruction weapons threatening the existence of mankind dismantled and defend peace and security in Asia and the world in unity with all the peaceloving people of the world.

South Korea

Korean-Owned Ships Allowed To Enter PRC Ports

SK0105031592 Seoul YONHAP in English 0302 GMT 1 May 92

[Text] Seoul, May 1 (YONHAP)—China granted South Korean-flag vessels unconditional permission to enter its ports Friday, brightening prospects for the diplomatic normalization between the two countries.

Penavico, a freight-collecting company under the umbrella of the China Ocean Shipping Corp., sent a telegram to the Korea Shipowners' Association and some shipping companies to notify them of the action, shipping sources said Friday.

China had never allowed a South Korean vessel to enter one of its ports in consideration of North Korea even though the two countries were getting closer in economic terms.

South Korean shipping concerns were required to fly flags of convenience to transport freight to China, but Chinese-flag vessels were permitted to enter South Korean ports on a selective basis.

The abrupt change in China's position on Korean-flag vessels entering its ports is thought to indicate that China wants to be given a freer hand in its business activities at Korean ports in return, the sources said.

"The odds are stacked against South Korean shipping firms if port opening is made unconditional," one said, noting that business activities are freer in South Korea than China.

Daewoo To Build Vehicle Plant in Hanoi

SK3004014992 Seoul THE KOREA TIMES in English 30 Apr 92 p 8

[Text] Daewoo Corporation, the trading arm of the Daewoo Group, will build a mammoth plant in Hanoi, Vietnam, for the assembly of commercial vehicles.

Daewoo will invest 6 million U.S. dollars for the project, a company spokesman announced yesterday.

The plant will be built as a joint venture with Vietnam's General Administration of Economy and Technology (GAET).

Specifically, Daewoo will hold a 60 percent share of the joint venture plant, while GAET will take the remaining 40 percent.

The spokesman said that Daewoo Corporation, headed by Yun Yong-sok, signed a contract with GAET in the middle of this month to build the plant.

Daewoo will be the first Korean company to build a plant for the assembly of commercial vehicles in Vietnam with which Korea maintains no diplomatic relations.

According to the spokesman, the joint venture plant, whose construction will kick off next month, is scheduled to go into full operation effective January next year.

The plant will assemble 400 buses and trucks annually.

The construction of the auto plant in Hanoi is part of Vietnam's programs to privatize its state-owned enterprises.

Daewoo plans to invest in Vietnam for the manufacture of passenger cars and other motor vehicles.

In the meantime, Daewoo will also sign another contract with Vietnam in July this year for the establishment of a joint venture to assemble farming tools and engines in a bid to step up is advance into the Southeast Asian market.

In December last year, Daewoo won a contract from the Vietnamese government to build a plastic plant in Hanoi.

Daewoo Electronics, a sister firm of Daewoo, has already invested in the plastic plant which is scheduled to go into operation from December this year.

Other projects which Daewoo will carry out in Vietnam include the construction of a textile plant and a tourist hotel with 300 rooms.

The spokesman said that the textile plant will begin operation in October this year and the tourist hotel will open in July.

Petrochemical Industry Posts First Trade Surplus

SK0105083792 Seoul YONHAP in English 0059 GMT 1 May 92

[Text] Seoul, May 1 (YONHAP)—South Korea's petrochemical industry, fueled by strong exports to China and Southeast Asia, has posted the first surplus in its trade since it began production two decades ago.

Its trade balance swung from a deficit of 35 million dollars in January to a surplus of 1 million dollars in February with exports at 194 million dollars and imports at 193 million dollars, the Trade and Industry Ministry said Friday.

The black ink swelled to 9 million dollars in March with exports at 229 million dollars and imports at 220 million dollars, according to the ministry.

The figures brought the industry's first-quarter trade shortfall at 25 million dollars, down from 614 million dollars for the same period last year, with exports up 65.6 percent at 611 million dollars and imports down 35.3 percent at 636 million dollars.

The ministry projected the petrochemical trade deficit for all of the year at 430 million dollars, down 73.5 percent from 1991, with exports up 40.2 percent at 2.3 billion dollars and imports down 16.4 percent at 2.73 billion dollars.

Foreign Debt Crosses $40 Billion Mark

SK0105084192 Seoul YONHAP in English 0045 GMT 1 May 92

[Text] Seoul, May 1 (YONHAP)—South Korea's foreign debt crossed the 40 billion U.S.-dollar mark at the end of February for the first time in several years, the Bank of Korea (BOK) announced Friday.

Foreign debt totalled 40.18 billion dollars as of the end of February, up 700 million dollars from January, the Central Bank said.

Since the country's overseas assets totaled 27.04 billion dollars, its net foreign debt came to 13.14 billion dollars, up 440 million dollars from the previous month.

Korea's foreign debt surpassed 40 billion dollars for the first time in 1983 recording 40.38 billion dollars and peaked at 46.8 billion dollars at the end of 1985.

The total debt decreased to 35.6 billion dollars in 1987, and 29.4 billion dollars in 1989, but began to expand gradually to 31.7 billion dollars in 1990 and 39.3 billion dollars in 1991.

A record-setting current account deficit raised the total foreign debt and net foreign debt by 7.63 billion dollars, respectively, last year. Last year, current account deficit hit 8.83 billion dollars.

The Central Bank predicted a similar level of current account deficit and foreign debt for this year.

As of the end of last year, foreign debts accounted for 14.5 percent of the Gross National Product (GNP). In 1990, the rate was 13.3 percent.

The debt servicing rate dwindled to 5.8 percent at the end of last year from 30.8 percent in 1987 and 9.4 percent in 1990.

8 Types of Businesses Opened to Foreign Investors

SK0105091092 Seoul YONHAP in English
0801 GMT 1 May 92

[Text] Seoul, May 1 (YONHAP)—The government decided Friday to open eight types of business, including lumbering, briquet retailing and tree nurseries, to foreign investors in the second half of the year.

The five other lines of business scheduled to be liberalized are harbor facilities operating, liquor wholesale, trade brokerage, air freight equipment leasing and livestock feed wholesale.

In addition, the government plans to partially liberalize the mobile communication business, sand dealing and cosmetics retailing.

From 1994, the government will completely open agricultural chemical wholesaling and value-added communication business to foreign investors while foreigners could own less than 50 percent interest in a technical institute from 1996.

Moreover, from 1997, foreign investors could own 50 percent or less interest in publishing companies and offset printing and small-scale printing business, officials said.

The decisions were made at a meeting of ministers of finance, trade and industry, home affairs, construction, health and social affairs, energy and resources, culture and information. The meeting was presided over by deputy prime minister and head of the Economic Planning Board Choe Kak-kyu.

When the decisions are carried out, the rate of liberalization of Korean industries will rise to 82.8 percent from 80.7 percent. The number of businesses in which foreigners are wholly or partly barred from investing will drop to 228 from the present 238, the officials said.

Kim Yong-sam Accused of 'Misleading' People

SK0105084692 Seoul YONHAP in English
0604 GMT 1 May 92

[Text] Seoul, May 1 (YONHAP)—Yi Chong-chan kept up the pressure on rival Kim Yong-sam Friday, demanding that the executive chairman of the ruling Democratic Liberal Party [DLP] disband a committee formed to nominate him as the party's presidential candidate.

Yi also demanded that the DLP reprimand Kim Yun-hwan, former secretary general and Kim's campaign manager, Choe Hyong-u, the first state minister for political affairs, and top presidential aides for distorting and misleading people about the intentions of President No Tae-u with regard to electing the presidential nominee at the national convention.

President No has said he and his secretariat will maintain an absolutely neutral position between the two candidates, but Yi claims that Kim Yun-hwan, Choe and some presidential secretaries are dropping hints and are making insinuations in Kim Yong-sam's favor.

Speaking at a press conference, Yi charged that the so-called committee to have Kim Yong-sam nominated for president was using "distorted and baseless remarks" attributed to No to induce more support for Kim.

"These people are also employing blackmail, appeasement, job offers and all kinds of other illegal means to increase the number of delegates to the national convention on their side," Yi said.

He described the sale of the DLP training center as arbitrary and illegal, and called for a meeting of DLP leaders to look into the deal and clear up any suspicions.

Yi reiterated his proposal for joint speech-making assemblies with Kim, who has already rejected the idea many times, saying their platforms and political issues could not, and should not, be different as, after all, they are members of the same party.

Yi threatened again to make a "grave" decision if his demands were ignored by his opponents and supporters as well as by party functionaries.

Yi refused to disclose the nature of this grave decision, but he said he would make it in consultation with his supporters.

In the Kim camp, meanwhile, Kim's supporters agreed Friday to reject Yi's demands once again, describing them as a desperate campaign ploy aimed at stopping the erosion of support.

Spokesman Yi Ung-hui expressed regret over Yi's demands and said it did made no sense for Yi to ask for dissolution of Kim's election campaign committee while operating the same kind of committee himself.

As for the demand to censure party officials, the spokesman said Yi was levelling a charge without concrete and clear evidence.

"He is just making charges on heresies to muddy the atmosphere of the free and fair election," he said.

Regarding the proposal to hold joint speech-making assemblies, he indicated that the Kim camp could agree to such meetings if the speeches were delivered at different times.

Meanwhile, the DLP held a meeting of party leaders—Kim Yong- sam, and co-chairmen Kim Chong-pil and Pak Tae-chun—and confirmed there was no wrongdoing in the sale of the training center.

At the meeting, former Secretary General Kim Yun-hwan explained the process of the sale. Kim also told the leaders that of the 50 billion won raised by the sale, the

party had spent 28.9 billion won for the March 24 general elections and 21.1 billion won was deposited in the party's name.

Satisfied with Kim's explanation, the party leaders decided not to dwell further on the issue, officials said.

* Moon's Unification Church Holdings Reported

922C0090A Seoul CHUGAN MAEGYONG in Korean 25 Dec 91 pp 60-64

[Article by reporter Yi Ki-tong: "Sparkles From the Moon's North Korea Visit Spreading to Unification Church-Affiliated Business Group; the Real Entity of the Group of 150 Enterprises"]

[Text] The "Tongil Group" finds itself cornered in the wake of the visit to North Korea by Rev Moon Son-myong, the founder of the Unification Church.

Amid circulating rumors about an imminent financial sanction under government pressure, the stock prices of the listed firms affiliated with the Unification Church are hitting new lows each day, spurring speculation about impending operational crises.

Banks Suspend New Loans

Banks have disclosed the amount of loan owed by each of the Unification Church-affiliated companies as follow: Korea First Bank (the leading bank offering financial services to these companies), 139.5 billion won; the Korea Development Bank, 138 billion won; Sinhan Bank, 65 billion won; the Bank of Seoul, 35 billion won. With this disclosure, the banks have begun to take measures to secure the repayment of their loans while suspending news loans. Following suit, five short-term finance companies, including Jae-Il and Central Investment and Finance Corporations, have also disclosed the amount of short-term debts owed by the Tongil Group totalling 140 billion won.

In tune with city banks, these short-term finance companies have completely suspended new loans to the group. The outstanding bonds issued by the Tongil Group amounted to 300.34 billion won as of November 1991.

As far as the financial aspect is concerned, one may think that the Tongil Group would soon be declared as insolvent and thus disintegrate into pieces. A careful look at its inside, however, reveals that this is a business group with solid staying power.

Above all, the Unification Church Foundation, which has the long name of "the Foundation for for the Maintenance of the Unification of World Christianity Holy Spirit Association," backs up the Tongil Group with its awesome financial resources. With the waxing of the influence of the Unification Church ever since Rev Moon set his feet on American soil in 1971, the size of the assets held by the foundation has reportedly expanded in astronomical proportions.

In 1975, the fourth year of his stay in the United States, Rev Moon surprised the whole world by purchasing the New Yorker Hotel (42 stories above the ground with 2,000 rooms), for $5 million from Hilton Hotel, one of the world's leading hotel chains. This hotel, located on 34th Ave in the central part of New York, has been playing its role as the Unification Church's world headquarters. The current value of the hotel exceeds $50 million, or 10 times the original purchase price.

Reportedly, the annual budget of the Unification Church's New York headquarters, housed in the New Yorker Hotel, amounts to $100 million.

In February 1977, only slightly over a year after the takeover of the New Yorker Hotel, the Unification Church surprised the world once again when it took over the Tiffany building in New York, the famous jewelry house which appeared in the movie "Breakfast at Tiffany's." The purchase price was $2.4 million.

In addition, the Unification Church embarked upon maritime business in 1976 and it now operates deep-sea fishing boats and fish-processing plants and five shipyards. Through the Washington-based Unification Church International (UCI), it overseas its business operations in the United States, including Monumental Construction Co, Telecolor TV program production firm, and U.S. Foods Co.

The Unification Church reportedly holds numerous pieces of land in suburban New York and in California totalling more than 1 million pyong, in addition to 20 or more auto repair shops, large barbecue houses, the Columbia University Alumni building, and the Lobes candy factory. No wonder people say "whatever Rev Moon touches turns into gold."

Table 1. Influential Figures Leading Tongil Group

Name	Age	Current Position	Major Career	Last School Finished
Moon Son-myong	72	Founder of Unification Church Foundation	president, International Anticommunist Federation	Electric Engineering Dept, Waseda University
Moon Song-kyun	68	Chairman, Seil Heavy Indus	President, Tongyang Machinery; president, Tongil Corp; vice chairman, Machine Tool Industry Assoc; vice chairman, Precision Mechanical Engineering Science Assoc	
Pak Po-hui	62	President, SEGYE ILBO; president Tongil Sports; president, ROK-U.S. Cultural Freedom Foundation; president, Korean Cultural Foundation; board chairman, Sonhwa Insitute; chairman, WASHINGTON TIMES; president, Central American Unification Organization; president, International Peace Foundation	Deputy defense minister; assistant at U.S. Embassy; secretary general, Voice of Free Asia; publisher, NEW YORK TRIBUNE; chairman, Panther Automobile	Army Intelligence School
Kwak Chong-hyon	59	president, Seil Heavy Indus	Member of 11th National Assembly; director, DLP National Campaign HQ; chairman, Labor Sub-Committee, DLP Central Committee; standing chairman, Machine Industry Promotion Assoc	Government Administration, Seoul University
Chong Chong-hwan	56	Board chairman, Unification Church Foundation; board chairman, International Cultural Foundation; chairman, International Religious Foundation	director, Unification Church Foundation; chairman, NEW YORK TRIBUNE; chairman, U.S. SEGYE ILBO; president & publisher, SEGYE ILBO	Philosophy Dept, Konguk University

Huge Real Estate World Over

Turning its attention to South America, the Unification Church invested $70 million in Uruguay to buy Credit Bank, one of the three largest banks in that country, and Victoria Plaza Hotel in Montevideo, three printing plants, and one newspaper company.

In particular, the press business is the area of major interest for the Unification Church. In the United States, it owns several daily newspaper companies, including WASHINGTON TIMES, NEW YORK TRIBUNE, NOTICIAS DEL MUNDO, and FREE PRESS INTERNATIONAL (weekly news agency) and MIDDLE EAST TIMES. The SEKAI NIPPO in Japan and MULTIMAS NOTICIAS in Uruguay were established with the capital provided by the Unification Church.

The Unification Church has a solid business foundation in Japan. More than 30 Japanese enterprises are run by the Unification Church. They include: Happy World, Haengse Trading Co, Tongil Industry, Seil Tourist, Haengse Automobile, Haengse Construction, Haengse Real Estate, Aemi Bookstore, Chonryu Industry, and Japan Clinic.

The vinegar factory in Austria, the New Generation Language Institute in Nepal, the cosmetics firm and Unification Industry in Italy, the retail firms (SAERO) in Italy and France, and the land (1/4 of South Korea's total area) and diamond mines in Central Africa owned by the Unification Church are all indicative of the church's economic clout.

Extending its hands into the Chinese continent, the Unification Church established Panther Automobile Company (chairman Pak Po-hui) last year and has been building a large-scale automobile manufacturing base in Haizhou City in Guangdong Province with an investment of $200 million. Reportedly, the number of enterprises controlled by the Unification Church throughout the world exceeds 150.

The Unification Church is making its utmost to do business in the Soviet Union and North Korea. For this purpose, Rev Moon flew to the Soviet Union last year to hold business negotiations with Gorvachev.

He recently visited North Korea, where he met with Kim Il-song. He returned home with a package of big deals, such as joint investment in the Sonbong area development project in the Tumen River basin and the Kumgang-san joint development project.

This indicates that the Unification Church seems to have started playing an unlimited business game with the whole world as its opponent.

The Unification Church is also engaged in many-sided business operations inside Korea. Beginning with the machine industry, it has its hands in every business field, such as construction, fisheries, food, stonework, petrochemical, printing, landscaping, floriculture, and tourism. Companies affiliated with the Unification Church which come under the so-called "Tongil Group" number more than 20. (See the following table)

Table 2. Firms Belonging to Tongil Group

(Unit: 100 millions of won)

Company Name	Representative	Date of Incorporation	Capitalization	Sales		Net Profit		Total Assets	Number of Employees	Main Line	Factory Location
				1989	1990	1989	1990				
Seil Heavy Indus	Kwak Chong-hyon	Aug 62	1,457	1,738	2,765	-249	19	4,547	4,438	machine tool, vehicle parts	Changwon, South Kyongsang
Ilsong General Construction	Yi Chang-yol	Jun 78	135	430	589	15	19	673	142	Housing construction	Tohwadong, Mapo-ku, Seoul
Il-Shin Stone	Yi Su-kyong	Feb 71	64	212	228	10	14	302	488	Building stone processing	Inchon, Kyonggi
Hankook Titanium Ind	Choe Chong-yol	Feb 68	200	356	388	39	40	740	493	Titanium oxide manufacture	Kazwadong, Inchon
Samwoo Sanki	Ho Sang-in	Sep 78	22	168	318	1.4	-46	430	578	Chains, other industrial machines	Changwon, South Kyongsang
Seillo	Yang In-su	Oct 67	28	246	405	-47	-20	274	470	Telephone receives, leather wear	Kuro Indus Complex, Seoul
(Espert)	Sin Ki-son	Jul 86	80	86	103	-37	-67	211	180	HDD	Ichon, Kyonggi
Uchang Ind	Hwang Hwan-chae	May 85	136	42	45	-19	-19	210	250	Suanbo Tourist Hotel	Onchon-ri, Chungwon County, North Chungchong
Ilsang, Ltd	Kim Yun-sang	Mar 77	18	12	16	0	0.2	56	55	Horticulture, Landscaping	Kuri, Kyonggi; Taean South Chungchong
Il-Hwa, Ltd	Mun On-sok	Dec 71	948	1,393	1,475	-160	-280	2,781	4,300	Beverages, ginseng products	Kuri, Kyonggi
Ilhung, Ltd	Yu Chae-hun	Aug 79	104	181	163	-61	-82	214	320	Pelagic Fishing	So-ku, Pusan; Cheju City
Chinhwa Printing	Yang Chun-su	Jul 86	10	62	55	1	-3	40	70	Print	Songsud-ong, Seoul
Yongdo Sanja	Yi Pong-so	May 86	2.5	15		-4		30	40	Plastic (PE)	Ichon, Kyonggi
Ilwon Jewelry Craft	Yu Pal-kyu	Apr 86	7.4	12	16	0.2	0.4	14	110	Precious Metal Processing	Iri, North Cholla
Sundo Corp	Hong Ok-chin	Nov 65	40		113		-7	112	450	Tiles, ceramics	Ichon, Kyonggi
Ilhung Shipyard	Yi Sang-dok	Apr 88	10			0.2	0.2	21	200	Ship repair	Mokpo, South Cholla
Samjong Hydro Power	Mun Song-kyun	Feb 82	4.7					28	12	Small thermal power plant	Pochon, Kyonggi
Tongil Corp	Hong Sun-chong	Nov 78	21	97	115	1	0.2	73	250	Wholesale, Retail	Kwanak-ku, Seoul

Table 2. Firms Belonging to Tongil Group (Continued)

(Unit: 100 millions of won)

Company Name	Representative	Date of Incorporation	Capitalization	Sales		Net Profit		Total Assets	Number of Employees	Main Line	Factory Location
				1989	1990	1989	1990				
Hungsang, Ltd	Om Tok-mun	Jan 87	32		46		-19	122	170	Log import	Pochon, Kyonggi
Il-Hwa Local Specialty Store	Yi Yong-pu	Aug 83	0.5	23	24	0.7	0.6	13	42	Ginseng product retail, wholesale	Chongno, Seoul
Tongil Sports	Pak Po-hui	Oct 88	13		7.3		4.8	3	39	Il-Hwa Chonma Soccer Team	Yongsan, Seoul
Sejin, Ltd	Hwang Hwan-po	Mar 88	30	19	21	0.1	0.4	49	80	Hot spring tourist hotel	Ichon, Seoul
SEGYE ILBO	Pak Po-hui	Feb 88	453	132	202	-349	-381	642	811	Newspapers, magazines publication	Yongsan, Seoul
Songsin Venture Investment	Mun Song-kyun	Apr 88	60	11	4	6	0.8	76	10	Venture investment support	Changwon, South Kyongnam

82.4 Billion Won in the Red in 1990

As of 1990, the combined assets of these 20 or more affiliates amounted to 1.2 trillion won. The gross sale of the group as a whole was 700 billion won. In terms of gross proceeds, the Tongil Group easily ranks among the top 50 business groups in our country. The total number of employees of the group is 14,000.

The problem is that compared with its size, the group's profitability is noticeably low. Last year, the group's combined gross proceeds was up 36 percent from 523.5 billion won in 1989. But, in 1990 the group had an operational loss rather than a profit after the corporate income tax.

Roughly, the group as a whole suffered a combined loss of 82.4 billion won last year, and its 1989 loss totalled 85.1 billion won. This means that the accumulated losses of 1989 and 1990 exceed 160 billion won.

To know more about the actual condition of the group, it is necessary to examine the operations of each affiliate.

The largest company which strongly leads the Tongil Group up in front is Seil Heavy Industries, Ltd, formerly Tongil Corp. This company, a producer of machine tools and auto parts, grossed 276.5 billion won in sale last year. It is like a filial son to the group, accounting for more than 40 percent of the gross sales of the group as a whole.

Seil Heavy Industry suffered a loss of 24.9 billion won in 1989 due to the labor dispute. But, last year, with its operation returned to normal, the company produced a profit of 1.9 billion won.

Among products turned out by Seil, driving gear for vehicles carries much weight, accounting for 59 percent of the company's total volume of sale. It produces 200,000 rear axles and as many as transmissions annually. Most of them are supplied to three major automakers, namely, Hyundai Motor, Daewoo Motor, and Kia Motors. Naturally, the company has considerable influence upon the business community.

The next important item in the production line is machine tools, which account for 30.3 percent of the total sales. The annual production capacity is 5,000 units. In addition, it produces about 35,000 cast goods, earning about 1.25 million won annually, or 4.6 percent of the total sales.

Seil Heavy Industry has four factories in Changwon with technological tie-ups with such world-class firms as Rockwell, Clark, and CHI of the United States; GKN of the United Kingdom; ZF, Bandella [phonetic], and Heiligenstadt [phonetic] of Germany; and Ishikawa of Japan. Thanks to these tie-ups, Seil succeeded in localizing the manufacture of key components of numerical control (NC) machine tools, which require a high level of technology. In addition, the company has achieved striking successes in the kinds of high value added products, such as NC controllers, servomoters, and ball-screws, which any electronic firm belonging to a large business group cannot even conceive the idea of developing.

With the incorporation of Seil Heavy Industry marking the beginning of what the Tongil Group is today, it seems meaningful to trace the company's footsteps for a while. Seil's origin dates back to Yehwa Air Shotgun Manufactory established in Inchon in 1959.

This factory was built to secure a source of fund supply for the Unification Church, which following its founding in 1951 was in need of operating funds as it expanded its influence. The factory flourished thanks to the hunting boom in those days. Subsequently, the factory was renamed Yehwa Firearms Co in 1961 by the Church authorities. The plant was moved to Chongno, Seoul, and five years later a new factory was built in Sutaek-ri, Kuri, beyond Manguri Hill. The name of the firm was changed to Tongil Machine Works and began to operate as a full-fledged business entity with the capitalization of 300 million won and with 400 employees.

The new company had to cease the manufacture of air shotguns due to the government's ban on hunting, however. Thereupon, it immediately switched to machine tool manufacutre. It began producing machine tools in 1964, and machine tool manufacture became its main line of business in 1967. After changing its name to Tongil Industry in 1968, the company expanded rapidly.

Thanks to its technical experience in producing air guns, Tongil Industry was designated as a defense industry firm in 1972, and this added spurs to the growth of the company. Following the designation as a defense industry firm, the company plunged into the business of manufacturing various kinds of firearms and weapons. As a result, its sales rapidly increased. The company built a new 15,000-pyong factory in the Changwon industrial complex in June 1975. At the same time, it offered its stocks to the public. It registered with the exchange in July 1976. Three years later it was designated by the Ministry of Trade and Industry as a general metal and machine tool manufacturing firm and as a factory specializing in the production of auto parts.

From then on Tongil expanded its operation at a dizzying pace. In particular, the takeover of the insolvent Tongyang Machine Industry Co in 1982 marked a decisive turning point for Tongil to become the nation's largest auto parts and machine tool manufacturer. It was on 19 March 1990 that the company's name was changed from Tongil to Seil Heavy Industry.

Seil Heavy Industry's Main Business

With Seil Heavy Industry as the parent body, Ilsong General Construction Co, Il-Shin Stone, Hankook Titanium Industry, Il-hwa Co, Ilhung Co, Sundo Corp, and Tongil Corp successively sprung up from the latter half of 1960's through the 1970's.

Ilsog General Construction, Il-Shin Stone, and Hankook Titanium opened its stocks to the public between 1986 and 1989. All these companies are operationally in good shape. With its registration as a defense procurement firm in 1983, Ilsong General Construction began to distinguish itself as a hard core building company. Last year it ranked third in the Tongil Group in terms of gross proceeds, with the total sales of 58.9 billion won. Il-Shin Stone produces about 25,800 granite vases and industrial art objects (stone towers) annually and exports most of them, thereby contributing to foreign exchange earnings. In the case of industrial art objects, the company earned 7 billion won from their export compared with the 26 million won of domestic sales.

Il-shin Stone's total gross sales last year was 22.8 billion won. The profit of the year was 1.4 billion won. The company is also known for its building stones and stone works. About 68 percent of its sales come from building stones and stone works.

Il-Shin Stone has Pochon Quarry with an annual capacity of 20,000 chae and Paekun Mine, (a granite mine in Chechon County, North Chungchong Province). The plant, with a floor space of 6,000 pyong on a 50,000-pyong site, is equipped with ultra-large polishing and automated grinding machines. Its annual production amounts to 250,000 square [as published] meters. The stoneworks in five subway stations in Seoul, the Ulsan branch building of the Bank of Korea, the Sonhwa Art School, and the Hall of Arts graphically illustrates the craftsmanship of Il-Shin Stone.

Hankook Titanium, established in 1972, monopolizes the sale of titanium dioxides in Korea. Its monopoly position, although threatened by the landing of Du Pont in Korea and the joint venture of Lucky Advanced Materials and Kerr Mackey [phonetic] of the United Staes, is expected to remain sound for now. The sales in the past three years continued to rise, with 28.9 billion won in 1988, 35.6 billion in 1989, and 38.8 billion won in 1990. Its net profit also steadily rose, with 3.3 billion won in 1988, 3.9 billion won in 1989, and 4 billion won in 1990. The company is regarded as the most profitable of all the 20 or more firms comprising the Tongil Group. The profit to sales rate of 10.33 percent and the operating earnings to equity rate of 15.72 percent seem to assure a steady increase in the company's earnings for now.

Tongil Group's Real Estate Holdings Second Largest

In the case of Il-Hwa Co, it has two faces. The barley drink "Makcol" which it put on sale for the first time in 1983 turned out to be a great hit, and on the strength of this drink, the company was making smooth sailing, registering an annual profit of 5 billion won in the middle of the 1980's. With Makcol beginning to yield ground to sports drinks recently, the company's operation is now experiencing rough sailing, however.

Il-hwa recorded a loss of 16 billion won and 28 billion on in 1989 and 1990, respectively. But, as far as the gross proceeds are concerned, the company ranked second in the group after the front runner Seil Heavy Industry, with the gross sales of 147.5 million won. The gross sales in 1989 totalled 139.3 billion won.

Sundo Corp, so renamed from Konchol Industry in 1968, is a manufacturer of tiles and ceramics. Last year it suffered a loss of approximately 700 million won from the gross sales of 11.3 billion won. Tongil Corp, which was established in 1978, manufactures men's suits and stone articles in its factories in Korea for export. It has

field bases in New York and San Francisco to handle its export to the United States. The annual garment production capacity is about 54,000 coats and trousers. Last year's profit margin from the gross proceeds of 11.4 billion won was 19 million won.

Ilhung, Ltd plunged into deep-sea fishing and fishery product processing trade, but the business is not good. Its accumulated losses in 1989 and 1990 exceed 14 billion won.

Entering the 1980's, the Tongil group began to step up its business diversification drive. During this drive, the number of firms belonging to this group increased sharply. More than half of the 20 or more companies belonging to the group since its inauguration in 1959 sprang up in the 1980's like bamboo shoots.

The group was at the height of expansion in the second half of the 1980's with a rush of new entries—four companies established in 1986, followed by five additional companies in 1988. The firms established in 1986 are: Yongdo Sanja, Ilwon Jewelry Art, Chinhwa Printing, and Espert [phonetic].

Yongdo Sanja is a producer of drain pipes, transmission pipes, and other polyethylene (PE) plastic goods, with annual gross sales of a mere 1.5 billion-won level. Ilwon Jewelry Art is a precious metal and accessary processing firm located in the Iri precious metals complex. Chinhwa Printing specializes in the manufacture of printing paper. Both of these two firms are in a weak operationally position. Espert produces 400,000 units of HDD, a large-capacity high-tech computer memory device, for export. Although a promising firm, it has many operational difficulties and is trying hard to make up for the losses. It suffered a net loss of 6.7 billion won last year from the sales of 10.3 billion won.

The following five affiliates were established in 1988: Ilhung Shipyard, Tongil Sports, Sejin, Songsin Venture Investment Co, and SEGYE ILBO. These firms are also having difficulties with their business yet to get into high gear. Ilhung Shipyard is a ship repair yard located in Sanjongdong, Mokpo. Tongil Sports is a management company for the Chonma Soccer Team. Sejin, Ltd is operating a hot spring tourist hotel in Inchon, with 83 rooms. Songsin Venture Investment Co was inaugurated to support small and medium venture capital companies in the Changwon Industrial Complex.

SEGYE ILBO, which will mark its fourth founding anniversary next February, is not in good ship as far as its operation is concerned. It has continually suffered losses since its founding. The losses in 1989 and 1990 were 34.9 billion and 38.1 billion won, respectively. This year's loss is expected to reach the 40 billion won level. The accumulated losses since its founding reportedly exceed 100 billion won.

In addition to these small and large 20 or more affiliates, the Tongil Group reportedly holds a huge amount of real estate. According to the data submitted to the National Assembly by the Ministry of Education in 1985, the group owns 1,151 plots of land (over 4,572,000 million pyong) and 441 buildings (a total floor space of 15,281 pyongyang). A survey conducted under the 8 May measure [for restricting real estate holdings by business groups] revealed the Tongil Group's real estate holdings total 4.6 million pyong. This figure represents the second largest one among 50 business groups, giving a glimpse of the actual size of real estate concentrated in the hands of the Tongil Group, which was previously only a matter of speculation. Typical of it is the golden plot of some 20,000 pyongyang next to Lucky-Goldstar's twin towers in Youido. On this plot the Unification Church Foundation plans to build a super skyscraper tohouse its world missionary headquarters. The foundation is waiting for a building permit.

Burma

Talks End; Minister Returns From Bangladesh

BK2905142692 Rangoon Radio Burma in Burmese 1330 GMT 29 Apr 92

[Text] A Burmese delegation led by U Ohn Gyaw, minister of foreign affairs of the Union of Myanmar [Burma], arrived in Rangoon by air this evening after officially visiting the People's Republic of Bangladesh and holding discussions on bilateral issues. Alternate leader Brigadier General Myo Thant, minister of information, and other members of the delegation also returned.

The delegation was welcomed at at Rangoon Airport by Major General Myo Nyunt, minister of religious affairs and commander of the Rangoon Military Command; U Khin Maung Yin, minister of construction; U Soe Nyunt, deputy minister of information; and responsible personnel from the Defense Ministry, Foreign Affairs Ministry, Information Ministry, and other departments.

Refugee Issue 'Resolved'

BK3004144792 Rangoon Radio Burma in Burmese 1330 GMT 30 Apr 92

[Text] The Ministry of Foreign Affairs issued a press release today concerning the matter of immigration at the Burma-Bangladesh border.

The press release says: the Burma delegation led by U Ohn Gyaw, minister of foreign affairs, visited Dhaka from 23-28 April to hold talks with the Bangladesh team led by Foreign Minister Mr. Mustafizur Rahman on the matter of border crossers from the Burma-Bangladesh border area who are currently in Bangladesh.

Two plenary meetings and three meetings of experts from the two countries were held in Dhaka. The matter was resolved.

Details relating to the agreements are to be signed soon by the Burma and Bangladesh ambassadors and repatriation procedures will then begin.

The matter, which concerns those who have crossed into Bangladesh from Burma, is an immigration issue and has been solved by the governments of the two countries concerned in accordance with the five principles of peaceful coexistence.

According to the major points of agreements, those who are to be repatriated to Burma are required to possess evidence of official documentation issued by the Burmese Government and must presently be under the care of the UN High Commissioner for Refugees in Bangladesh. They will be accepted systematically and will be sent back to their place of origin.

Countries sharing a common border inevitably have problems and the two governments have settled this problem in a spirit of cooperation, openness and good neighborliness. The settlement of the problem is solely a matter between the two countries and no third party is involved.

The repatriation program will begin in May 1992.

Minister Returns From Beijing ESCAP Meeting

BK2904152092 Rangoon Radio Burma in Burmese 1330 GMT 29 Apr 92

[Text] Brigadier General Abel, minister of planning and finance and of trade, and a Burmese delegation arrived back in Rangoon by a CAAC aircraft at 1200 noon today after attending the 48th annual session of the United Nations Economic and Social Commission for Asia and Pacific [ESCAP] in Beijing, the People's Republic of China.

The minister and delegation were welcomed at the airport by Brig. Gen. Maung Maung, minister of livestock breeding and fisheries; U Win Sein, minister of rail transportation; U Soe Tha, minister of communications, post, and telegraphs; Brig. Gen. Win Tin, deputy minister of planning and finance; U Win Naing, deputy minister of trade; Mr. (Zhou Quia), charge d'affaires of the PRC Embassy; Mr. (Bao Luxi), commercial attache, and responsible personnel.

While in Beijing, Minister Brig. Gen. Abel delivered an address at the 48th UN ESCAP's annual session on 16 April.

More on Junta Release of 11 Prisoners

BK3004110992 Rangoon Radio Burma in Burmese 1330 GMT 29 Apr 92

[Text] Daw Cho Cho Kyaw Nyein, former general secretary of the Union of Burma Main AFPFL [Anti-Fascist People's Freedom League] Headquarters and chairman of the Union of Burma AFPFL Youth Headquarters, and against whom action had been taken under existing laws and who was serving a sentence following her conviction in May 1991, was released from Insein Central Jail today in accordance with Declaration No. 11/92 of the State Law and Order Restoration Council [SLORC] issued on 24 April 1992.

Also released were: U Soe Thein alias Maung Wuntha, a member of the National League for Democracy [NLD] Panel of Chairmen, who was serving a sentence following his conviction in November 1990; Daw Than May alias Shwegu May Lin, who was serving a sentence after action was taken against her according to the law in August 1991; Mahn Nyunt Maung alias Maung Sin Kyei, who was general secretary of the Union Kayin League and who was detained in October 1991 and; Saw Wilbert, joint general secretary [of the Union Kayin League].

U Saw Lwin, who was joint general secretary-2 of the Union of Burma Main AFPFL Headquarters and against whom action was taken along with Daw Cho Cho Kyaw Nyein in May 1991 and who was serving a sentence in the jail in Thayetmyo, was released from jail in Thayetmyo today in accordance with Declaration No. 11/92 of the SLORC.

Five female students from Rangoon University who were serving sentences after being detained in December 1991 were also released from the Insein Central Jail in accordance with the Declaration No. 11/92 of the SLORC issued on 24 April 1992. Before they were released, Dr. Tun Maung, rector of Rangoon University, met with them and gave them advice.

Lieutenant Colonel Than Tun, General Staff officer, grade 1, of the Directorate of Defense Services Intelligence and the responsible officials went to the Insein Central Jail this afternoon and explained Declaration No. 11/92 of the SLORC and read out the Order of the Ministry of Home Affairs on the reduction of jail terms to those who would be released. They were then allowed to meet their family members and were released.

SLORC Releases Another 10 Political Prisoners

BK0105144592 Rangoon Radio Burma in Burmese 1330 GMT 1 May 92

[Text] U Aung Lwin, former Central Executive Committee member of the National League for Democracy [NLD] and against whom action was taken under existing laws in December 1989 and who was serving his sentence; U Khin Maung Swe, former Central Executive Committee member of the NLD and against whom action was taken under existing laws 1 April 1991 and who was serving his sentence; U Sein Hla Oo, Daw San San, Daw San San Win, and Ma Shwe War Soe from the NLD; Dr. Tin Moe Win, a former NLD member against whom action was taken under existing laws in February 1990 and who was serving his sentence; were released from Insein Central Jail today in accordance with Declaration No. 11/92 of the State Law and Order Restoration Council [SLORC] issued on 24 April 1992.

U Kyi Swe, against whom action was taken under existing laws in December 1988 and who was serving his sentence, and Maung Cho Cho Tun Nyein, against whom action was taken under existing laws in September 1989 and who was serving his sentence, were also released from Insein Central Jail today in accordance with the SLORC's Declaration No. 11/92.

Similarly, U Tin Win of the Democracy Party, against whom action was taken in July 1989 and who was serving his sentence at the Tharawaddy Jail, was released from Tharawaddy Jail today in accordance with SLORC's Declaration No. 11/92 issued on 24 April 1992.

Lieutenant Colonel Than Tun, grade 1 General Staff officer of the Directorate of Defense Services Intelligence, and responsible officials went to the Insein Central Jail this afternoon and explained SLORC's Declaration No. 11/92 and read out the Order of the Ministry of Home Affairs concerning reduction of jail terms to those who would be released. They were then allowed to meet their family members and were released.

Coalition Government Calls Convention Plan 'Sham'

BK2704000592 Bangkok BANGKOK POST in English 27 Apr 92 p 6

[Text] Burma's parallel government and students organisation, branding the military junta's move for a national convention a "sham," yesterday urged the world community to continue exerting pressure on Rangoon for genuine democracy.

In a statement issued, the National Coalition Government of the Union of Burma (NCGUB) said the kind of national convention proposed by the State Law and Order Restoration Council [SLORC] will not be able to address questions related to long-term political stability and national unity.

"The rules and regulations laid down by the SLORC for the selection of representatives to its national convention are not relevant for producing a representation that can be characterised as national," the statement said.

In an order issued Friday, SLORC suggested a preparatory meeting for the national convention to be convened within six months to draft a constitution.

The gesture apparently came in response to the chorus of international criticism of the junta's appalling human rights record and its refusal to recognise the results of the May 1990 general elections.

The All Burma Students' Democratic Front also urged "democracy-loving peoples all over the world" not to fall prey to SLORC's tactics to put up "a surrogate government through its own process of a so-called national convention."

In addition, the students' organisation demanded the immediate and unconditional release of Nobel Prize winner and Opposition leader Aung San Suu Kyi along with all other political prisoners.

End of Offensive Against Karens Welcomed

BK0105095892 Rangoon Radio Burma in Burmese 0415 GMT 1 May 92

[Article by Aung Min from the 1 May LOKTHA PYEITH NEZIN: "It Will Be Aung Min's Fault If He Says Too Much; Let Us Make a Garland of Metta [loving-kindness] Beads" from the program: "Today's Reading Materials"]

[Text] The padauk flowers bloomed so late this year that young girls were unable to wear their favorite golden padauk flowers during the Thingyan Water Festival. Although the padauk flowers wanted to bloom, there was not enough rain and humidity provided by the rain clouds which they needed to bloom. In the absence of padauk, we had to make do with the yellow ngu flowers during this year's Thaingyan Festival.

About a week into the new year of 1354 [Burmese calender], a precious and beautiful flower which is much

cherished and which brings great joy burst into bloom. Those who missed the padauk flower were overjoyed by this new flower. The flower, which bloomed on the 7th day of the waning moon of Tagoo in the year 1354—24 April 1992—is the pearly metta [loving kindness] flower. In essence, Declaration No. 11/92 of the State Law and Order Restoration Council [SLORC] [on holding a national convention and freeing political prisoners] is the pearly metta flower.

The people and political parties and organizations in Myanmar [Burma] have been awaiting the national convention like the people at the beginning of the world awaited the sun and the moon. It is also true that it is two years since SLORC Declaration No. 1/90 was issued. There is great joy now that the situation allows this to happen.

The lyrics of an old song say that creating a garland of pearly metta flowers may be easy or may be difficult at certain times. Now that the soldiers—the upholders of truth—have offered the pearly metta flower, let the people of Myanmar pour out their golden juice of metta to make the process easy.

The force of metta is reflected in those of us who witness the recent scenes of joy and the embraces between the released detainees and their family members. We, too, take great joy in this, even though we are not their relatives or friends. It is believed that metta will respond with metta.

We have learned of the auspicious news on the release of members of political parties, a plan to hold talks within two months with leaders of the members of the People's Assembly from the existing legal political parties and independent members of the People's Assembly in order to hold a national convention, and convening a national convention within six months. These measures constitute a first step toward the emergence of democracy in Myanmar. We will soon be approaching the golden democratic state.

The national political movement has begun. Those who uphold patriotism and those who wish to serve the interests of the Union will soon be able to cooperate and participate happily and actively. The SLORC—the Defense Services—has discharged its duty. The invitation has been extended to string a garland of metta flowers with awareness of duty, sincerity, honesty, and goodwill.

Recently we have been experiencing one joy after another. The most joyful was the auspicious news issued on 28 April:

It has been reported that Major General Maung Hla, commander of the Forward Military Operations Special Control Command [and member of the SLORC], held a coordination meeting on operations with divisional commanders on 28 April in the Operations Hall in Pa-an [capital of Karen State]. At the meeting, Maj. Gen. Maung Hla announced that the present offensive in Karen State will be suspended in order to restore national solidarity and to attain goodwill among all national races with a view toward obtaining national unity.

This news is a confirmed news report which has been printed on the front page in the LOKTHA PYEITHU NEZIN—an official publication of the state government—and broadcast by radio and television. There should be no suspicion about this news.

This new development is not a matter of concern only to Bogyoke Hla [Maj. Gen. Maung Hla] and Bogyoke [General] Mya [Karen National Union, KNU, leader Bo Mya], but is of concern to the nation and to the Union. General Mya and his KNU comrades [yebaw] should consider the matter seriously and respond to the metta with metta. They should not be like the Burma Communist Party [BCP] fanatics. The BCP subscribed to the theory that when the enemy becomes weak, he tends to negotiate; when this happens do not accept what he is offering. This theory may be applicable elsewhere, but the present matter does not concern this theory.

It is known to all that the SLORC has endeavored to bring about development in the country on all fronts, and has modernized the Defense Services during the four years from 1988 to 1992. The Defense Services have been developed in both physical strength and morale. In particular, the unity of the Defense Services has been consolidated and strengthened. The announcement, which is aimed at restoring national solidarity, is therefore very correct politically.

This is not the time for the comrades in the jungles to be lost in delusion and thought. They are at a crossroads and must give a clear answer as to whether they want to be constructive or whether they want to follow the destructive path and destroy their life; whether they wish to serve the interests of the beloved national people, or whether they want to betray them.

If the comrades in the jungles underestimate the strength of the Defense Services and remain antagonistic and misunderstand and doubt the goodwill and metta of the Defense Services, they will be very wrong, and the consequences of their choice of a wrong and reactionary path will be very serious.

Let all of us brethren of the Union strive to build a peaceful, prosperous, and democratic state, where justice prevails, in amity and unity.

The comrades in the jungle should not let this great opportunity slip by. Comrades: If you genuinely maintain the interests of the Union and the national people, bravely take a correct, decisive, and constructive step today.

Brunei, Malaysia & Singapore

Malaysia

Readiness To Help SRV, Cambodia Expressed

BK0105044392 Kuala Lumpur BERNAMA in English 0411 GMT 1 May 92

[Text] Kuala Lumpur, May 1 (OANA-BERNAMA)—Malaysia is willing to cooperate with friendly countries to ensure economic and political stability in the region, Foreign Minister Abdullah Badawi said.

He said integrated development with neighbouring countries would also help speed up Malaysia's economic growth.

Speaking at a dinner, he said it was time for Malaysia to provide technical aid to its neighbours like Vietnam and Cambodia, he said.

He said a country would not progress well if it did not have close cooperation with its neighbours.

Abdullah said the government wanted the people, especially entrepreneurs, to participate in economic activities overseas.

Dhaka-Rangoon Accord on Rohingya Refugees Noted

BK3004104692 Kuala Lumpur BERNAMA in English 1004 GMT 30 Apr 92

[Text] Pulau Pinang, April 30 (OANA-BERNAMA)—Malaysia welcomes the agreement reached by Bangladesh and Myanmar [Burma] on the repatriation of Rohingya refugees, Foreign Minister Abdullah Ahmad Badawi said Thursday.

The agreement signed Wednesday would encourage the refugees to return to their hometowns in Myanmar and help resolve the problems faced by the two countries, he added.

Abdullah was speaking to reporters after receiving a cheque for M [Malaysian] $17,785 (U.S. $7,029) for the Rohingya refugee fund and Iraqi children's fund from Universiti Sains Malaysia (USM) here.

The cheque was handed over by USM Vice Chancellor Musa Mohamed. A total of M$11,156 (U.S. $4,409) was for the Rohingya refugee fund and the rest for the Iraqi children's fund.

Commenting on a statement made by Thai Trade Minister Anuwat Watthanaphongsiri that he would try to find ways of slowing down the implementation of the ASEAN free trade agreement (AFTA), Abdullah said efforts were being made to implement the agreement.

"I am confident that the agreement will become a reality as it has been approved by the last ASEAN summit," he added.

Watthanaphongsiri was quoted by the BANGKOK POST on Monday as saying that he would find ways of slowing down the project as it would have adverse effects on several industries in Thailand.

On the Iraqi children's fund, Abdullah said Malaysia donated foodstuff and money to Iraq on humanitarian grounds despite United Nations sanctions against that country.

Minister Hails Cease-Fire by Afghan Factions

BK2804090292 Kuala Lumpur BERNAMA in English 0839 GMT 28 Apr 92

[Text] Kuala Lumpur, April 29 [date as received] (OANA/BERNAMA)—Malaysia welcomes the agreement reached by the Afghan mojahedins to end the ethnic fighting which had raged between opposing factions during the weekend in Kabul.

Foreign Minister Abdullah Badawi told reporters here Tuesday that Malaysia regarded the ceasefire announcement as a crucial and positive step towards the promotion of peace and harmony in an independent, united, and sovereign Afghanistan.

Malaysia hoped that all parties involved in the conflict would seize the opportunity provided by the ceasefire to exercise restraint and show tolerance, compassion and magnanimity in the highest Islamic tradition to forge unity and rebuild Afghanistan.

Abdullah said it was Malaysia's desire to see permanent peace restored in Afghanistan so that it would be able to rejoin the world community of nations and contribute to efforts to promote lasting peace, national reconciliation end economic development for the betterment of mankind.

PRC Wants 'Common Exploitation' of Spratlys

BK2905141692 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 29 Apr 92

[Text] China wants to see sovereignty disputes over Spratly Islands shelved with disputing parties working towards common exploitation of resources in the area. Ji Guoxing of the Shanghai Institute of International Studies said this at an Asia-Pacific security conference in Kuala Lumpur. He said the enactment of the first law on territorial waters and adjacent areas by China's congress in February did not mean any change in its policies. The Spratlys in the South China Sea, said to be rich in oil and gas, are claimed in whole or in part by China, Taiwan, Vietnam, Malaysia, Brunei, and the Philippines.

Singapore

Submarine Cable Link With Brunei Completed

BK2804152492 Singapore Singapore Broadcasting Corporation in English 1100 GMT 28 Apr 92

[Text] Brunei and Singapore have been linked by an optical fiber submarine cable. It is the first between two ASEAN countries. This is the first segment of the proposed ASEAN Optical Fiber Submarine Cable Network scheduled for completion by 1994. The 1,580 kilometer cable system was jointly undertaken by Jabatan Telecom

Brunei and Singapore's Telecoms, took 13 months to complete at the cost of 113 million dollars.

The Sultan [Ruler] of Brunei, Haji Hassanal Bolkiah and the prime minister, Mr. Goh Chok Tong, officiated at the inauguration via a video conference this morning.

Mr. Goh said while the ASEAN community provided growth of telecommunications, personal visits will continue. He hopes to visit Brunei in June this year. Mr. Goh added that relations between Singapore and Brunei are warm, and the cable link will bring relations even closer. The link will also include economic cooperation between both countries and those in the region.

Sultan Hassanal Bolkiah, in his reply, said the successful completion of the project was due to the hard work and close cooperation between both sides.

Singapore Telecoms says that over the past four years, international traffic between both countries had been increasing at an average rate of 12 percent per year. The cable system is expected to boost the growth of telecommunications between the two countries. There will be six cable links in the region and in the ASEAN network. The newtork will be connected to all parts of the world making ASEAN a major hub in the global communications digital highway.

Cambodia

Japanese SDP Delegation Pays Working Visit

Chea Sim Asks Further Aid

OW3004145592 Tokyo KYODO in English 1421 GMT 30 Apr 92

[Text] Phnom Penh, April 30 KYODO—Cambodia's National Assembly Chairman Chea Sim called on Thursday for Japan to extend further financial assistance to help the war-devastated country restore peace, a Japanese opposition party mission said.

Phnom Penh wants Tokyo to contribute personnel, including military, to help restore peace in Cambodia, Chea Sim was quoted as saying.

Chea Sim made the comments in a meeting with a group of visiting Diet members from the Social Democratic Party (SDP), Japan's leading opposition party. The group is being led by SDP Deputy Secretary General Chuji Ito.

Chea Sim expressed appreciation for Japan's contributions to Cambodia, citing Japan's positive financial aid to the United Nations Transitional Authority in Cambodia (UNTAC), mission officials said.

"From now on, we hope Japan will extend further financial aid and investments in the fields of roads, agriculture, electric power and tourism," Chea Sim told the mission.

But he avoided referring to the proposed dispatch of Japan's Self-Defense Forces (SDF) personnel to join U.N. peacekeeping operations in Cambodia, the officials said.

Phnom Penh government Prime Minister Hun Sen, during his visit to Tokyo in mid-March, reiterated that Japan should send troops to Cambodia to join the U.N. peacekeeping forces that have begun their truce-monitoring activities.

The SDP delegates told Chea Sim that Japan should give up its bid to send SDF personnel in line with the spirit of Japan's war-renouncing constitution.

Japan's largest opposition party is opposed to the government-proposed bill to enable the SDF to send personnel overseas and instead proposes to establish a separate nonmilitary cooperation corps to join U.N. peacekeeping operations.

Chea Sim reportedly said he plans to visit Japan at the invitation of Foreign Minister Michio Watanabe.

The four-member SDP mission, which arrived in Phnom Penh on Sunday, left for Bangkok on Thursday, wrapping up a five-day trip to the country.

Hun Sen Urges SDF Participation

OW3004113692 Tokyo KYODO in English 1028 GMT 30 Apr 92

[Text] Phnom Penh, April 30 KYODO—Cambodian Prime Minister Hun Sen reiterated Wednesday that Cambodia would welcome participation by Japan's Self-Defense Forces (SDF) in the United Nations peacekeeping operations in his country, Japanese officials said.

Hun Sen told a visiting Japanese opposition party mission that the Cambodian people frankly hope that Japan will send personnel, including members of the SDF and police officers, to join the U.N. Transitional Authority in Cambodia (UNTAC).

The mission was sent by the Social Democratic Party (SDP), Japan's largest opposition party, to explore possible Japanese contributions to rebuild the war-torn country.

Hun Sen said UNTAC, which is responsible for disarming the warring factions, resettling refugees, and preparing the country for elections, is too small and that Cambodia would welcome it if the Japanese Diet approved the overseas dispatch of SDF members to join the U.N. peacekeeping activities, according to the officials.

Hun Sen also said that Prince Norodom Sihanouk, head of the interim governing body in Cambodia, the Supreme National Council, will attend the ministerial meeting on Cambodian reconstruction to be held in Tokyo in June.

In response to Hun Sen's request, Chuji Ito, head of the SDP delegation, said his party thinks Japan should participate in UNTAC after a national consensus is reached on the matter.

Ito also explained to Hun Sen the SDP position that Japan should make the utmost contributions in the civilian field to help rebuild Cambodia from the medium-term and long-term perspective.

Hun Sen called for the SDF's participation in the U.N. peacekeeping operations in Cambodia when he talked with Japanese Prime Minister Kiichi Miyazawa in Tokyo in late March.

Japan's House of Councillors, or the upper house, which is dominated by the opposition parties, is now debating a government-sponsored bill that would allow the SDF to join U.N. peacekeeping missions overseas.

The SDP, which opposes the bill, has submitted an alternative plan limiting Japanese international cooperation corps' operations to civilian fields.

Hun Sen Meets Second Japanese Delegation 29 Apr

BK3004055292 Phnom Penh SPK in English 0415 GMT 30 Apr 92

[Text] Phnom Penh SPK April 30—Cambodian Prime Minister Hun Sen received here Wednesday [29 April] a Japanese parliamentary delegation led by Mr. Ido Dain [as received], member of Japanese Diet, who is visiting Cambodia from April 29 to May 11.

On the same day, Hun Sen, who is also a member of Cambodia's Supreme National Council (SNC), received another Japanese parliamentary delegation headed by MP [member of parliament] Chuji Ito, vice chairman of Social Democratic Party, on a five-day visit here until April 30.

Talks between the two sides focused on Japan's role in peace process and the restoration in Cambodia, and the consolidation of friendship relations between Cambodia and Japan.

Tie Banh Receives Thanks From Polish Counterpart

BK2904112592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 29 Apr 92

["Message of thanks" to General Tie Banh, defense minister of the State of Cambodia, from Dr. Jan Parys, defense minister of the Republic of Poland"—date not given; read by announcer]

[Text] I would like to thank Your Excellency for the greetings and best wishes you sent to me on my appointment as the Polish defense minister. I am firmly confident that the fine traditional relations between our two nations and armies will further strengthen in the interests of our countries.

May Your Excellency have every success in the performance of your noble task of serving the country, the best of health, and happiness.

Lack of Personnel, Cooperation Delays UNTAC

BK0105033092 Hong Kong AFP in English 0259 GMT 1 May 92

[By Sheri Prasso]

[Text] Phnom Penh, May 1 (AFP)—The U.N. peacekeeping operation in Cambodia had planned to declare Friday that it was running on schedule and that its second phase would begin in June.

But that announcement could not be made, U.N. sources told AFP.

Stymied by lack of personnel and cooperation from the four previously warring factions, the phase including verification of the Cambodian cease-fire and the demobilization and cantonment of forces will have to be postponed.

The original target date was June 1, with U.N. military chief Lieutenant General John Sanderson having to give four weeks notice to all parties trying to end their civil war.

Sporadic fighting is still reported in central Kompong Thom Province, where U.N. military officials have spent four months trying to resolve the disputes and put peacekeepers in to monitor the peace.

The factions are not cooperating in marking their minefields, the head of demining Colonel Alan Beaver charged earlier this week.

At the headquarters of the United Nations Transitional Authority in Cambodia (UNTAC), "we don't even have staff or photocopiers yet," said one official.

"These are trivial symptoms of a much more severe problem" with the U.N. operation, he said.

In New York, UNTAC's final budget—estimated at 1.8 billion dollars—has not even been approved.

The U.N. spokesman here could not be reached because he does not have a telephone yet, the UNTAC operator said.

Military sources said the original time frame made during the peace negotiations was unrealistic given the difficulties in setting up an operation in a country ruined by decades of war.

Telephones here are scarce, roads are rutted, bridges are broken, office equipment and supplies must be imported and electricity is never assured.

The countryside is littered with mines, making reconaissance missions to find cantonment sites hazardous work.

UNTAC has also been delayed by the reluctance of Khmer Rouge officials to allow U.N. personnel into the zone they control to do such survey missions.

The reconaissance began only last week when Khmer Rouge officials finally relented, but by now the work

preparing the sites for housing troops should have already been nearing completion, the sources said.

In addition, U.N.-operated checkpoints on the border with Laos, Thailand and Vietnam are far from being established.

While UNTAC has put up several along the border with southern Vietnam under strong pressure from the Khmer Rouge, Thai officials rebuffed a U.N. officer sent to Bangkok seeking border talks.

The Thais told him to come back in mid-May—two weeks beyond the point that would have allowed the declaration of the second phase, diplomatic and military sources said.

The two checkpoints along the border with Laos have not been surveyed yet, the sources said.

A number of battalions from around the world—totalling 8,000 military personnel—were due to arrive by the end of April.

But so far, only three contingents have made it: the Chinese, Malaysians and Indonesians.

The French, Pakistani and Bangladeshi battalions are now scheduled to come in the first weeks of May, according to the U.N. timetable.

Sihanouk Urges Cooperation in Demining Operations

BK0105050492 Phnom Penh SPK in English 0412 GMT 1 May 92

[Text] Phnom Penh SPK May 1—Prince Norodom Sihanouk, head of Cambodia's Supreme National Council, made an urgent appeal Thursday [30 April] to all Cambodian factions to cooperate in demining operations in Cambodia, according to AFP.

In a statement sent to AFP, the prince, who is in Beijing on a private visit, begged all Cambodian factions, their civilian and military leaders, and their armies, to cooperate closely with the United Nations transitional authority in Cambodia (UNTAC) in the demining process.

UNTAC leaders responsible for demining said Tuesday [28 April] that the armies of Phnom Penh and the Khmer Rouge obstinately, refused to mark their minefields for the United Nations, holding up operations. Each faction was challenging the other to be the first to do so.

Prince Sihanouk called on the factions to supply UNTAC with whatever information it needed to locate the mines laid between 1970 and 1992.

Systematic demining was a primary condition for the "rehabilitation... development and even survival of the Cambodian Nation," he said.

An estimated four million mines have been laid in Cambodia since the late 1970s and the demining programme must be carried out so that 370,000 refugees can return home in safety from their camps in Thailand.

Prince Sihanouk also called on all factions to stop laying mines.

According to UN officials more mines were laid early this month in the central province of Kompong Thom where sporadic clashes have continued.

The officials have already protested that implementing the UN peace plan in Cambodia was being hampered by the Khmer Rouge's refusal to allow the United Nations access to areas which it controlled.

Prince Sihanouk, who will chair an SNC meeting in Cambodia on May 9, has been in Beijing since Sunday [26 April] for a series of medical tests.

First Load of Refugees Arrives for Settlement

BK0105064592 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 1 May 92

[Text] A trainload of Cambodian refugees arrived in the vicinity of Phnom Penh yeterday in the first cross-country repatriation attempt to settle refugees around the capital. The UN High Commissioner for Refugees [UNHCR] said the refugees boarded the train at 0300 near dawn last Wednesday, 29 April. This train trip was a test run for the UNHCR. UNHCR Spokesman Ian Guest said that once the rainy season begins, roads become bogged and impassable. Trains will be the only practical solution to moving the Cambodian refugees.

These refugees were taken over by a truck convoy heading toward a reception center where they are due to spend a week before being sent to their final destination in Kompong Speu Province, southwest of Phnom Penh. Most of the returnees on this train trip to Phnom Penh came from Site 8, a camp in Thai territory under the control of the Khmer Rouge. Twenty Malaysian guards of the UN peacekeeping forces traveled on the same train to provide security. The UNHCR pays the train fare of $3.62 per returnee.

Violations by SRV, Phnom Penh Faction Cited

BK2704130592 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Apr 92

[Text] 1. According to a report received from the National Army of Democratic Kampuchea [NADK] north of Phnom Penh, on 15 April the Yuon [Vietnamese] and the Phnom Penh faction mustered troops from Phnom Penh and Prek Phneou and sent them to attack the Cambodian resistance forces in Phum Da, Cheung Prey District.

2. The NADK in Kompong Speu Province also reported that on 11 April the Yuon and the Phnom Penh faction

sent 300 troops to attack the liberated zone of Democratic Kampuchea in Phum Kak, Kong Pisei District, Kompong Speu Province, causing many deaths and injuries among the local people. They also robbed them of seveal head of cattle and a large quanity of property.

These are the latest activities conducted by the Yuon and the Phnom Penh faction in violation of the 23 October Paris agreement. The people in these two villages most indignantly condemn the Yuon and Phnom Penh faction's violation of the agreement. They appeal to the UN peacekeeping force and the four Cambodian factions to conduct an investigation on the spot and help put an immediate end to these provocative acts of the Yuon and Phnom Penh faction in accordance with the 23 October 1991 agreement.

SRV Hiding Two Battalions in Ratanakiri

BK0105020192 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 30 Apr 92

[Excerpt] According to an explicit report from Ratanakiri Province, the Vietnamese aggressors have concealed two battalions of their forces and a huge amount of ammunition in a jungle-covered area north of Ta Veng, [words indistinct] communes in Ratanakiri Province. Those Vietnamese invaders, who have reportedly had no contact with Vietnamese authorities currently ruling the province, come under the Vietnamese 5th Military Region directly.

The report further says that the Vietnamese aggressors have forbidden villagers from earning a living in the forest and they have lately killed many people there.

This is only one of the Vietnamese aggressors' countless number of covert locations in Ratanakiri Province where they have hidden their troops and buried their ammunition. [passage omitted]

Indonesia

Keating's Visit, Ties With Australia Viewed

BK3004041892 Jakarta THE JAKARTA POST in English 21 Apr 92 p 4

[Editorial: "PM Keating's Visit"]

[Text] There is of course nothing extraordinary in the fact that an Australian prime minister is paying a visit to Indonesia. Not even if it happens to be his first ever as both an individual and as a top government official. If therefore special meaning is being attached to the present three-day visit to Indonesia by Prime Minister Paul Keating, it is obviously due to the unusual circumstances prevailing at the moment. What those circumstances are is surely no secret. Indonesian-Australian bilateral relations, never among the most stable in the world, have of late suffered one of their lowest points as a result of reactions in Australia to the Dili incident of Nov. 12 last year.

The strategic nature of Prime Minister Paul Keating's visit is apparent, in the sense that within four months after his installation as head of the Australian Government he made the decision that the first country he would visit on his earliest foreign tour should be Indonesia. As he apparently told President George Bush during the latter's visit to Canberra in early January, the vital test of whether Australia could indeed "enmesh" herself—a term frequently used by former Prime Minister Bob Hawke—with the dynamic Asia-Pacific region depended on whether she could forge a practical relationship on a broad basis with Indonesia.

Given the brevity of the visit, the vital agenda item will definitely be his meeting with President Suharto. It should be a meeting unburdened by complex agenda items, but an encounter that will be conducive for establishing an understanding of each other. It is interesting to note that although differing in age and background, both are basically self-made men. Prime Minister Keating has already indicated that as a younger leader he would like to hear the experiences of President Suharto as the most senior statesman in Southeast Asia.

It is of course folly to assume that the present upturn in the bilateral relations between Indonesia and Australia which Prime Minister Keating's current visit seems to signify also implies an end to the differences in perception that exist between the two neighboring countries. Indeed, it could well be for the better for us to be realistic and anticipate such clashes of opinion in the future and to try to see them for what they are: clashes resulting from different historical and cultural backgrounds.

The important point to remember is that it is imperative for both Indonesians and Australians to constantly keep in mind that their countries are by fate and geography ordained to be neighbors. What's more, Indonesia is the largest and most populous country in this part of the world and could, by virtue of its population and its resources, in due time become an important factor in regional politics. Australia is an advanced industrial country—a part of the industrialized West, or North—misplaced, in a manner of speaking, at the rim of the developing world. For those reasons stable and workable ties, if perhaps not always cordial relations, between Indonesia and Australia are of strategic importance to the stablility and progress of the entire region.

Among the major points on Keating's current itinerary are discussions with Indonesian cabinet ministers in charge of the economy, designed to further expand trade and economic cooperation between Jakarta and Canberra. At least three agreements are expected to be signed—one to prevent double taxation, another on extradition, and one on cooperation in the field of fishery. The pragmatic and strategic importance of the visit in the sense that it is another significant effort in

strengthening broad-based bilateral relations does of course not preclude the possibility that sensitive issues, including the matter of human rights, might be raised. Indonesia, however, has never refused to engage itself in serious discussions on human rights in our country. After all, human rights are specifically referred to in the preamble of the 1945 Constitution. It is when the human rights issue is raised in a sermonizing and even judgmental manner that Indonesia objects to engaging in meaningless debates.

All in all, Prime Minister Keating seems to be in a good position to bring about the beneficial results he desires for his country's current bilateral relations with Indonesia. Judging by the preliminary indications, his brief visit should augur well for furthering relations between Indonesia and Australia.

Suharto Meetings With Foreign Leaders Reported

Singapore Information Minister

BK2904113992 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 29 Apr 92

[Text] President Suharto received a courtesy call from George Yeo, Singapore minister for information and the arts in Jakarta today. George Yeo was accompanied by Information Minister Harmoko.

Speaking to newsmen, Minister George Yeo said that Singapore would like to further promote cooperation with Indonesia in the field of communications so that it would enhance bilateral cooperation in other fields as well. The cooperation, among other things, would include radio and television programs and the possibility of using the Indonesian Palapa satellite for television broadcasting in Singapore.

World Bank Vice President

BK2904141292 Jakarta ANTARA in English 0857 GMT 290 Apr 92

[Text] Jakarta, April 29 (OANA/ANTARA)—The World Bank has not sent any invitations to any countries and international financial institutions to attend a planned meeting of the Consultative Group on Indonesia [CGI] in Paris July 16 to 17, a World Bank official said here on Wednesday.

However, the results of our discusssion with economic ministers from Indonesia and the countries who are to attend the Paris meeting have been encouraging, Gautam Kaji, the vice president director of the World Bank, said after holding a meeting with President Suharto.

Kaji said the World Bank planned to invite all countries and international financial institutions which had so far provided assistance to Indonesia or planning to do it.

The Indonesian Government has asked the World Bank to set up a Consultative Group on Indonesia to replace the former Inter-Governmental Group on Indonesia (IGGI).

Asked whether Indonesia would receive from CGI as much as the former IGGI had given or more, Kaji said that the most important was not the amount but how much the country would need.

IGGI gave U.S.$4.755 billion to Indonesia in 1991/1992 of which U.S.$1.63 billion came from the World Bank and U.S.$1.1 billion from the Asian Development Bank. Japan has been the biggest donor with U.S.$1.32 billion.

Kaji guaranteed that the World Bank would remain providing adequate contribution for Indonesia because it was aware that Indonesia still needed aid for continuing its development efforts.

I would not want to talk about countries individually, he said in reply to a question on whether the Netherlands planned to send an envoy to the Paris meeting.

Kaji said he had also discussed efforts taken by the Indonesian Government so far to reduce the number of its people who were still living under the poverty-line currently totalling 27 millions during the meeting with President Suharto.

Cook Islands Premier

BK2904100692 Jakarta ANTARA in English 0747 GMT 29 Apr 92

[Text] Jakarta, April 29 (OANA/ANTARA)—Cook Islands wants to buy CN-235 aircraft from Indonesia and in exchange it offers cooperation in manganese processing, its prime minister said here on Wednesday.

Geoffry A. Henry said after meeting president Suharto that the aircraft was suitable for carrying passengers in his country.

Cook Islands consist of 15 islands but some of them are not inhabited.

There are more people of Cook Islands who live abroad than in their own country, the prime minister said while laughing.

Cook Islands have not had diplomatic relations with Indonesia. That country has been using New Zealand's goodwill in its relations with Indonesia, he said.

I will be willing to become a commissary general or an ambassador to Indonesia if the two countries had diplomatic relations, he said.

Cook Islands have abundant reserves of manganese worth trillions of U.S. dollars and therefore have offered cooperation in processing the mining product.

Japan's Ozawa Meets Murdani, Secretary Murdiono

OW3004135692 Tokyo KYODO in English 1330 GMT 30 Apr 92

[Text] Jakarta, April 30 KYODO—Influential Japanese conservative politician Ichiro Ozawa on Thursday

expressed appreciation for Indonesia's role in stabilizing the Asia-Pacific situation, Japanese officials said.

Ozawa, who was secretary general of Japan's governing Liberal Democratic Party under former Prime Minister Toshiki Kaifu, made the comment during a 30-minute meeting with Indonesia's Defense and Security Minister Benny Murdani.

Ozawa told Murdani that Indonesia's stability and development is contributing to stability in the Asia-Pacific region.

Murdani conveyed Jakarta's hope that Japan will continues to be a good friend and partner to Southeast Asian nations, the officials said.

Murdani also called for further strengthening relations between Japan and Southeast Asia, especially through economic cooperation, the officials said.

Ozawa then conferred with State Secretary Murdiono at the office of President Suharto, the officials said.

During his weeklong visit to Indonesia, Ozawa is also scheduled to meet with President Suharto.

The trip bagan Wednesday, and is Ozawa's first to a foreign country since he collapsed due to a mild heart attack in June 1991.

German, Japanese Governments Present Grants

BK2904124292 Jakarta ANTARA in English 0911 GMT 29 Apr 92

[Text] Jakarta, April 29 (OANA/ANTARA)—The German and Japanese Governments have presented grants amounting to five million German marks and 564 million yen respectively for a PLN [State Electricity Corporate] training center project at Meninjau, West Sumatra and for a malaria eradication program.

The signing and exchange of the two project notes were carried out at separate occasions between the director general of foreign economic relations of the Indonesian Foreign Office, Wisber Loeis, and German Ambassador Walter Lewalter and Japanase Ambassador Michihiko Kunihiro respectively here on Wednesday.

The grant from Germany will be used for the development of training facilities for the PLN, the state electricity company, at Meninjaum, West Sumatra, scheduled to last for four years from 1992 to 1996 to boost the technical know-how and skills of PLN technicians.

Meanwhile at a separate occasion the Japanese grant of 564 million yen was handed over and was earmarked for the financing of a malaria eradication program in Java, Bali and the southern part of Sumatra, particularly transmigration resettlement sites.

Economic second secretary for health, sanitation and environmental affairs of the Japanese Embassy, Moriguchi, explained that the Japanese Government paid great attention to the efforts to control and eradicate malaria since 1988 by providing the necessary aid.

Asked about the countries which also received aid for the eradication of malaria, Moriguchi said "a number of countries in Latin America and Southwest Asia" without mentioning however which countries.

The aid provided by the Japanese Government to Indonesia consisted of a number of sprayers and insecticides, Moriguchgi said.

Government Approves Olefin Refinery Project

BK2905165592 Jakarta THE JAKARTA POST in English 15 Apr 92 p 1

[Excerpt] Jakarta (JP)—The government is preparing a new policy that will allow entirely foreign-owned investment ventures in Indonesia, Coordinating Minister for Economic Affairs Radius Prawiro said yesterday.

"This policy change is necessary to enable us to attract more foreign capital amid the slowdown in domestic investments due to the persistently high bank interest rates," Radius told the working conference of the Ministry of Mines and Energy.

Radius' statement confirmed earlier speculation that the government had approved Prajogo Pangestu's US$ 1.8 billion olefin project. Supposedly shelved after the introduction of the ceiling on foreign commercial borrowings six months ago, the project will now be revived and implemented under completely foreign-owned investment.

Minister/State Secretary Murdiono also confirmed yesterday that the petrochemical project, originally cosponsored by the Bimantara group and businessman Henry Pribadi, would be under complete foreign ownership.

"This approval is by no means inconsistent with the government policy on foreign commercial borrowing because such an investment arrangement will not affect our balance of payments position," Murdiono told reporters at the State Secretariat.

Approximately six months ago the government imposed a ceiling on foreign commercial borrowings, amounting to about $5.6 billion annually, to reduce the pressures on the balance of payments. This resulted in the shelving of many planned projects, including the olefin venture in West Java.

Radius explained that allowing fully foreign-owned investment projects would enable Indonesia to expand investments without endangering its balance of payments position.

"But foreign investors should be remained [as published] that the Indonesian government will not allow the economic system to develop along the lines of free-fight liberalism," the minister said.

He said the government was also reviewing other policies, such as those on land titles and other matters related to the new measure.

Previously, the government had restricted entirely foreign-owned investments to the bonded zone on Batam Island.

The investment-policy change, according to Radius, also aims at further enhancing the role of private investors in the national economy. These consist of the development of basic infrastructures such as electricity, telecommunications, road, seaports, airports and drinking water.

Asked about the fate of the hundreds of millions of dollars in state bank loans tied to the olefin project, Murdiono repiled that the "financial ties" would be severed under an arrangement he termed "freezing financing." He would not elaborate any further. [passage omitted]

Democracy Forum's Rift With Government Viewed

BK2804054392 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 27 Apr 92

[From the press review]

[Text] PELITA discusses the failure of the Abdurahman Wahid-led Democracy Forum to present its statement to the government. As a developing country, Indonesia needs constructive criticism, but in view of the forum's failure to present its criticism, it means that any criticism must be submitted in a careful and prudent way. In other words, both sides must be considerate of each other's feelings. While tact is required from those who present the criticism, those who are criticized must be broad-minded.

SUARA KARYA believes the Democracy Forum problem has arisen from different intrepretations of the Pancasila indoctrination course, which has not been put into practice in daily life. Therefore, this daily hopes that the emergence of alternative thinking will lead to a more mature Pancasila democracy, especially in view of the fact that Pancasila is a transparent ideology.

Philippines

Zamboanga Mayoral Candidate Killed in Ambush

HK0105012092 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Apr 92

[Text] Armed gunmen have killed a mayoral candidate in Zamboanga del Norte as he walked to his home in Rizal. Reports say the suspects sprayed bullets on Boy Sebedo, who was running for mayor under the Nationalist People's Coalition.

In Bulacan, the car in which Vice Mayor Romeo Agapito was riding was riddled with bullets. Agapito was driving to his campaign headquarters when three men on motorcycles attacked him. Agapito is running under the Struggle of Filipino Democrats' Party.

Vice-Mayoral Candidate Survives Ambush in Bicol

HK3004073692 Manila MANILA BULLETIN in English 30 Apr 92 p 1

[By Bert Padilla]

[Text] San Jose Del Monte, Bulacan—The Laban ng Demokratikong Pilipino (LDP) [Struggle of Filipino Democrats] vice mayoralty bet of this town survived an ambush yesterday morning by motorcycle-riding gunmen while he was on his way to his Sapang Palay headquarters.

Police said Romeo Agapito, 31, reelectionist candidate of San Jose del Monte, was driving his Toyota Land Cruiser when four young men on motorcycles blocked his path and fired at the backseat of his vehicle.

This was the first election-related violence in the town.

Agapito said he does not usually drive the cruiser, but his driver went home yesterday. Otherwise, he could have been killed, he said.

Three slugs of .45 caliber bullets were found on the right side of the cruiser.

Agapito said the men on three motorcycles followed him and blocked him. One of them fired his gun, while his two companions acted as lookouts.

The LDP candidate told the Philippine National Police (PNP) that suspicious-looking "bald men" were seen near his house last Saturday and Sunday.

Agapito expressed suspicions that politics was behind the shooting.

He became vice mayor when Rogelio San Pedro was killed last December.

Meanwhile, Gov. Roberto Pagdanganan asked the PNP to relieve Senior Inspector Vicente Bautista, this town's PNP station commander, for alleged laxity.

Pagdanganan said he informed Senior Supt. Efren Q. Fernandez, PNP provincial director, and his assistant, Edgardo E. Acuna, of tension two days before the ambush.

The governor said he also requested the Commission on Elections (Comelec) to send a special action force team to the town to stop bloodshed.

The LDP standard bearer in San Jose del Monte, Reynaldo Villano, said he will ask the Comelec to place the town under its control.

Trade Union Congress Endorses Mitra Candidacy

HK0165054592 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 1 May 92

[Text] The Trade Union Congress of the Philippines has formally endorsed the candidacy of Ramon Mitra for president. Mitra pledged that he would work for the workers' interests.

[Begin Ramon Mitra recording] Labor, to me, is a partner of the government and of business, working for national progress. As president, I would wish that labor leaders would pitch in and help draft economic programs. I would want to have labor leaders as partners in the formulation of economic policies. [end recording]

Manglapus Comments on Cardinal Sin's Statements

HK3004121992 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 30 Apr 92

[By Andy Verde]

[Text] Foreign Affairs Secretary Raul Manglapus said Cardinal Sin's homily and the statements by other church leaders regarding voting criteria for Catholics should not be viewed with political color. In a news conference in his home at San Lorenzo Village, Makati, Manglapus said:

[Begin Manglapus recording] This religious definition is risky. We should not give the wrong interpretation to the statements of our church leaders, like Cardinal Sin. The true interpretation to his statement is exactly what he said: Catholic principles which can be followed by non-Catholics. [end recording]

Manglapus also said that National Union of Christian Democrats presidential candidate Fidel Ramos is a professional soldier because during the martial law regime, he only obeyed the orders of the late President Marcos as the commander in chief.

Comelec Places Cagayan Under Its Control

HK0105085192 Manila PHILIPPINES NEWSDAY in English 30 Apr 92 pp 1, 2

[By Danilo B. Lucas and Madelynn Dominguez—italicized passage published in Tagalog]

[Text] The Commission on Elections [Comelec] last night placed under its control the entire province of Cagayan, bringing to 14 the number of Comelec-controlled areas.

Last month, the Comelec placed under its control five Mindanao provinces, three Metro Manila areas and five towns in Cavite.

The Comelec said it had uncovered a fraudulent scheme by certain quarters aimed at depriving voters of their chance to vote.

The scheme dubbed "Operation Bawas" involves the prolonged stay inside the polling booths in each precinct by supporters of the instigator, thereby preventing legitimate voters of their turn to vote.

In a related development, Muntinlupa Mayor Ignacio "Toting" Bunye reported Tuesday to the Comelec the massive padding of voters' lists and de-listing of legitimate voters' names in his town.

In another development, the Comelec ordered military and police commanders in Mindanao to recall some 1,300 high-powered firearms in Tawi-Tawi and an undisclosed number of high-caliber guns in Sulu issued to paramilitary forces by the military during the 1980s.

Chairman Christian S. Monsod, immediately after the Comelec meeting with the political leaders of Cagayan, told reporters that the decision to place the province under the direct supervision of the poll body was the consensus reached during the meeting late last night.

Monsod said two battalions of the Philippine Army would be deployed in Cagayan to augment the government forces in the province.

The poll body, Monsod said, strongly considered the points raised by both political leaders and Philippine National Police (PNP) commanders that Cagayan should be placed under Comelec control because of the "heightened insurgency problem and the existing political tension."

The political leaders, led by former Senate Minority Leader Juan Ponce Enrile who is running for Congress, said they welcomed the placing of the province under Comelec control.

The Comelec and the political leaders, however, agreed that the local elections in the province should not be postponed.

One of the prime considerations in placing Cagayan under Comelec control was the killing of Laban ng Demokratikorg Pilipino [Struggle of Filipino Democrats] (LDP) congressional candidate Leonardo Mamba.

Commissioner Remedios A. Salazar-Fernando explained the polling time would be used by a relatively lesser number of voters if for instance a paid voter would spend a longer period than the usual time. At most a voter should spend 20 minutes writing down names of the candidates in all positions up to the casting of the ballot.

Fernando also noted that "Operation Bawas" would also get other voters bored or lose patience because of excessive waiting.

"*What will happen is that voters would lose their interest because of having to wait for so long for members of Operation Bawas,*" Fernando said.

To ensure that this fraudulent scheme would not take place, the Comelec instructed the board of election

inspectors to call the attention of voters who would be spending more than 20 minutes in the polling booth.

"We have to take some action to preempt the implementation of the scheme. The time limit would somehow ensure that all voters would have time to vote," Fernando said.

She, however, refused to identify specific groups behind Operation Bawas since "the scheme is not that grand and systematic."

The Comelec commissioner also said the scheme was relayed to the poll body by the military intelligence community after the general registration last February 1.

Fernando did not also dismiss the possibility that some members of the board of inspectors themselves were involved or part of the scheme to deprive some people of their right to vote "but we are appealing to them not to be part of this illegal activity or else..."

In many parts of the country, one of the reasons for the reassignment of BEIs [Board of Electoral Inspectors] was their relationship to candidates, she said.

In the same press briefing, Fernando also told reporters that some 40,000 people had applied before the Comelec for absentee voting.

Most of these people who applied for absentee voting were military, ROTC cadets and teachers who would perform election duties on May 11, Fernando said.

In his complaint addressed to Monsod, Bunye said as many as 16,025 voters were added to the list, displacing in the process at least 17,759 legitimate voters. He said the names of legitimate voters were systematically deleted and new names were added during the splitting and merging of different precincts and cancellation of voters.

He said the splitting of precincts was allegedly done at three different points; first was prior to the February 1 registration day, second was prior to the March 21 revision day and third was after revision day.

He cited that in 1988, the total number of precincts in Muntinlupa was 488. In 1992, prior to the registration day, then Municipal Registrar Elsa Godeloson increased the number of precincts to 667 (Godeloson has since been replaced by Atty. Vicente Orap). A total of 2,754 voters were added and 3,529 were deleted through the precinct splitting. However, since the 1989 barangay election list was nullified by the Comelec, there should have been no increase nor decrease in the number of voters recorded prior to the February 1, 1992 registration.

According to Bunye, precincts were again split prior to the March 21 revision day, resulting in a total of 731 precincts of more than 200 additional precincts from the 1988 total number. Some 2,967 names were added to and 937 names were deleted from the 1988 list while 838 names were added to and 2,833 names were deleted from the 1992 list.

Bunye said the voters' list was also padded during the cancellation of registered voters who failed to vote in two consecutive elections. He said the number of voters cancelled was not reported to the Comelec's main office and the number of notices of cancellation sent were more than the actual number of cancellations. Such a discrepancy would allow the padding of voters' lists, Bunye commented.

Discrepancies have also been discovered in the number of voters in the lists submitted by the BEIs and the report submitted by former Muntinlupa Election Registrar Godelson. In one precinct, the signature of a member of the board appeared to have been forged.

Bunye called Comelec's attention by saying "these violations of the law and noncompliance with Comelec resolutions have resulted in the massive disenfranchisement of thousands of legitimate voters and the inclusion of voters who are not only ineligible, but whose participation will destroy the integrity of the electoral process."

Monsod, immediately after the Comelec meeting with the political leaders in Tawi-Tawi and Sulu, said the poll body ordered an inventory and recall of the issued high-powered firearms to paramilitary units.

The order, Monsod told reporters, was arrived at following a briefing made by military and police commanders in Mindanao, discussing the possibility that these firearms might be used by certain politicians to advance their candidacies.

According to Monsod, the firearms were given to the "special paramilitary forces" upon authorization of then Southern Command (Southcom) chief Admiral Romulo Espaldon, now a member of the House of Representatives.

He said the Comelec would tap the help of political leaders in Tawi-Tawi and Sulu by convincing these paramilitary forces to surrender their firearms.

The Comelec gave the Southcom until the weekend to submit to the poll body the inventory of the "whereabouts" of the high-powered firearms.

Two Communist Officials Arrested In Pampanga

HK0105101492 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 1 May 92

[By Ronald Estella]

[Text] Two top officials of the New People's Army [NPA] were arrested by members of the Philippine National Police [PNP] in the province of Pampanga. The two rebel leaders were identified as Roberto Takbab, 44, and Manuel Quizon, 40. Chief Superintendent Pantaleon Dumalao, Central Luzon PNP regional director, said that the two were arrested at the propaganda production center of the Communist Party of the Philippines [CPP]-NPA in Angeles City.

Takbab is the secretary of the Luzon Regional Party Committee of the CPP-NPA; while Quizon is the secretary of the Pampanga Provincial Party Committee of the CPP-NPA. Takbab has a price of P500,000 on his head, while Quizon has P250,000 on his. Both communist leaders are still undergoing tactical interrogation.

Military-Rebel Clashes Throughout Luzon Reported

HK0105054792 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 1 May 92

[Text] Despite tighter efforts by the military and police to maintain peace and order in election hotspots, encounters between government troopers and communist rebels continue to intensify. A day here at Camp Aguinaldo is not complete unless there is at least one incident reported. In Isabela, an encounter between government troopers and communist terrorists was reported. No casualties on either side were reported.

Another encounter between the Miranda Philippine National Police [PNP] and New People's Army rebels was also reported in Tarlac. The ensuing battle lasted for five minutes.

Meanwhile, another clash was reported in Barangay Malandan, Barangay Maalaya, Castilla, Sorsogon. The military was able to retrieve several high caliber weapons from the rebels. No casualties were reported.

Finally, an encounter between the Adelio Castillo PNP Command and the NPA resulted in the killing of a Citizen's Armed Forces Geographical Unit volunteer identified as Danilo Morales.

Thailand

GATT Seen as Solution to U.S. Trade Dispute

BK3004142992 Bangkok Radio Thailand Network in English 0000 GMT 30 Apr92

[Report by Piya Samphantharak of Radio Thailand—recorded]

[Text] The General Agreement on Trade and Tariff, GATT, should be the forum to resolve the trade disputes, and Thailand can strictly abide by GATT rules in her international trade. An economic adviser to the prime minister, Dr. Surakiat Sathianthai, who is an expert in international law and Thai-U.S. trade, alluded to GATT in his reference to the U.S. threat to retaliate against Thailand for her failure to impose strict copyright law to protect imported pharmaceutical products. Dr. Surakiat said that the Uruguay round of GATT talks could be concluded to all parties' satisfaction. The talks progressed well and reached [words indistinct]. In the future, GATT rules should override all national claims and Thailand would [words indistinct] well-founded and substantiated by them. He said that the U.S. action had not affected Thailand's export performance. However, the government should work to reduce the pressure without committing to all demands. Dr. Surakiat pointed out that Thai copyright and patent law had been internationally accepted. The United States cannot put further pressure to make the provision retroactive which runs against international practice and national law. Dr. Surakiat, who also served as an adviser on foreign trade during the Chatchai administration, said that he had the strategy ready in hand and could start working with the Ministry of Commerce on the matter immediately should the prime minister issue an order to the effect.

Three Parties Accused of Vote Buying

BK2704012592 Bangkok THE NATION in English 27 Apr 92 p A2

[Text] The country's three biggest political parties—two of them forming the core of the Suchinda coalition government—have been accused by Pollwatch of being the top vote-buyers in the March 22 general election.

In reports forming the basis of the findings of the independent election watchdog, members of the Chat Thai Party, the second largest party, are said to constitute the biggest number of suspects, followed by the Samakkhi Tham and New Aspiration parties.

Samakkhi Tham, the biggest party with 79 MPs, and Chat Thai are the two most powerful of the five parties in the coalition government led by Prime Minister Suchinda Khraprayun. New Aspiration, with 72 MPs, is leading the Opposition bloc.

Suchinda spearheaded last year's coup vowing to get rid of politicians who were corrupt and cheated in elections. His Cabinet formed recently included 11 politicians put under a post-coup corruption probe which confirmed three of them as being "unusually rich."

The academics-dominated Pollwatch, whose members met in Phatthaya over the weekend to finalize their findings, was formed by ex-prime minister Anan Panyarachun. Though the watchdog was given enough powers to check on poll offences, there have been strong doubts whether it can eventually have legal action brought against any of the alleged offenders, some of whom are believed to be among the elected MPs in the House of Representatives.

So far only two cases of alleged vote-buying are pending in court. They involve Social Action MP for Khon Kaen Prasom Prakhumsuksaphan and New Aspiration MP Krongkan Wisommai, who represents Si Sa Ket.

According to the Pollwatch reports, 32.4 percent of cases of suspected vote-buying involved Chat Thai members, followed by 31.3 percent concerning Samakkhi Tham and 25.7 percent for New Aspiration.

The Democrat Party, the second biggest opposition camp, came fourth on the list, with 15.3 percent of overall cases of alleged irregularity, followed by the Social Action Party, a government partner, with 13.7 percent.

Mali Phrukphongsawali, a member of the watchdog's complaint subcommittee, said the independent body had submitted a total of 263 cases of alleged election irregularities to provincial governors, who legally would have to decide whether to take court action against the suspects.

So far the provincial governors have dismissed 84 cases on the ground that there is insufficient evidence, and are said to be investigating 36 others, said Mali. Only two cases—those of Prasom and Krongkan—have been filed in courts.

There has been no word from the authorities on the rest of the cases submitted by the Pollwatch, Mali said.

Before the election, Pollwatch spokesman Sukhum Nuansakun said evidence acquired by the watchdog would lead to the disqualification of at least 10 MPs. But sources in the agency doubted Sukhum's speculation, saying provincial governors tended to reject most of the cases forwarded by Pollwatch.

Gen Saiyut Koetphon, Pollwatch's deputy chairman, noted that the presence of "influential politicians" in the new government coalition might discourage provincial governors from pursuing the Pollwatch cases until they are resolved.

"Provincial governors are concerned about their own security," Saiyut said.

The sources said Pollwatch had declined to publicize its list of suspects for fear that the military might use the allegations as a pretext for another coup.

Before the general election, the Interior Ministry carried out a large-scale Baht 600 million campaign aimed at educating rural constituents about the danger of vote-buying. The Village Democracy Project, brainchild of Gen Itsaraphong Nunphakdi, who is now army commander in chief, drew criticism and contempt for its alleged failure to address basic democratic principles like freedom of expression.

The Interior Ministry is led by former deputy air force chief, ACM [Air Chief Marshal] Anan Kalintha, who was handpicked by Suchinda to lead the most powerful bureaucratic agency. Two of the three deputy ministers, Suchat Tancharoen and Praphat Phothasuthon, are MPs of Samakkhi Tham and Chat Thai, respectively.

Editorial Argues for Maintaining PollWatch

BK2804023792 Bangkok BANGKOK POST in English 28 Apr 92 p 4

[Editorial: "PollWatch Must Be Retained on Merit"]

[Text] Just a little over a month after the general election, interest seems to have waned in once-vigorous efforts to stamp out election irregularities. Instead, public attention has turned to the controversial rise of Gen Suchinda Khraprayun to the premiership. Yet, last weekend's brainstorming session about PollWatch, where reports from its subcommittees were discussed, has given pause for thought. It revealed significant—if unsavoury—facts about our political system and reminded us that plenty of tasks lie ahead to correct the wrongs in the electoral system.

Several of the PollWatch findings on the election do not come as a surprise and reinforce the impression that poll irregularities are rampant and vote-buying still the rule of the game for those who want to get elected. According to a study by the academic subcommittee, the three political parties with the worst records of suspected violations of the election law are the ones which have the largest numbers of MPs. Worse still, the study indicates that election fraud is becoming an accepted practice in rural Thailand and regarded as the norm with no sense of guilt attached.

At first glance, these findings appear to substantiate the belief that the twin evils of corrupt politicians and ignorant voters are alive and well and due the credit as culprits for the wrongdoing. This view was used by the National Peace-Keeping Council to justify the February 23 coup and echoed by Prime Minister Suchinda Khraprayun's recent statement that the people were at fault for electing and thereby forcing him to include some politicians ruled to be unusually wealthy in his Cabinet lineup.

Yet there are other findings which suggest that such a view is grossly incomplete and that the campaign against vote-buying coupled with the vigilance of PollWatch have resulted in positive developments which could lead to a fairer electoral system and a more politically responsible citizenry. One encouraging aspect is increased political awareness, judging from the huge response from poeple who informed the watchdog body of suspected frauds leading to more than 3,000 complaints being lodged. To conclude that violations of the election law have become more severe because the number of reported cases surged from only 88 in the last election is misleading. A more plausible conclusion is that PollWatch's activity has offered for the first time an independent and trustworthy channel, not available in past elections, to air disapproval and grievances about electoral wrongdoing, which, in quite a number of cases, people had refrained from reporting because of suspicions that law-enforcing officials were uncaring or, worse, biased.

In fact, the PollWatch findings clearly indicate that as many as 40 percent of those allegedly involved in election irregularities are state officials, especially local administrators at tambon levels. While the patronage system is understandably responsible for this involvment, it is disappointing that responsible officials, namely provincial governors, themselves appear to have aggravated the problem because of their lacklustre attitude in enforcing the law. PollWatch secretary Gothom Ariya emphasised this when he complained that cases forwarded to provincial authorities have not received

the attention due them because election monitors have yet to hear word from respective governors on 139 of 263 cases forwarded.

The Interior Ministry's interest in preventing and suppressing poll irregularities appears to have been short-lived, half-hearted, and only activated when an election is forthcoming. This inaction has led to doubts as to whether the ministry's zealous campaign against votebuying derived from political reasons or a genuine interest in tackling the problem. Also questioned is whether it would seriously enforce the election law when its own officials and politicians could face punishment for wrongdoing.

Against this background, it is important for the Suchinda government to see to it that concerned officials seriously look into the complaints they have received and take legal action where necessary and without favouritism so that efforts and money invested in the ministry's much-publicised democracy campaign and PollWatch will not have been wasted. While votebuying can only be solved through long-term solutions such as improving the educational level of the people and ensuring more equitable income distribution, PollWatch is a good start and a proposal to make it a permanent body should receive full support from the government. This would provide continuous efforts to create political awareness and prevent future votebuying as an ongoing process without interruption. Given the progress report of PollWatch to date, Interior Minister Air Chief Marshal Anan Kalintha's call yesterday to disband the organisation warrants a serious rethink.

Commentary Berates Suchinda, 'Corrupt' Politicians

BK2804022592 Bangkok THE NATION in English 28 Apr 92 p A8

["Comment" by Thepchai Yong: "Why Put the Blame on the People?"]

[Text] Gen Suchinda Khraprayun is a fast learner. Less than a week after formally becoming prime minister, he had learned how to pass the buck.

Gen Suchinda last week blamed the people for having voted in politicians charged with corruption. For him, he need not take any responsibility due to the fact that three of them made their way into his Cabinet. The people only have themselves to blame.

I am not certain whether Gen Suchinda really meant what he said or he did it just to gauge the reaction. But whatever his intention, the statement was not only far from being brilliant, it was also very irresponsible. It was especially so because it came from the prime minister who has direct responsibility to the people—and not the other way round.

The statement was an insult added to the injury already suffered by the people. Gen Suchinda came to power in defiance of popular democratic spirit and now he wants the people to be responsible for what he has done.

Thai people must be used to being blamed for all the political misfortunes that have befallen this country. They are "subservient," "ignorant" and "greedy". It has been these "qualities" of voters that for years ensured that incompetent and corrupt politicians get re-elected to power. Their attitudes also explain why the military met little or no resistance when they decided to stage a coup.

But the people were not born with these qualities. They were made subservient and ignorant by local authorities and the influential figures who lord over them, and by the past governments which never cared very much about their political education. They are greedy because they are poor and find it hard to resist politicians' offer of money in return for their votes.

The fault lies with successive governments which made no serious attempts to pull these people, who happen to be the majority, out of their economic and political backwardness. Politicians deliver only lip service at election times. In short, they are just happy using the people as a springboard to get into power.

Gen Suchinda should have known better. Today, his political survival depends much on the support of the political parties which in turn were given political legitimacy by the very people whom he has castigated for their political ignorance.

Instead of blaming them, Gen Suchinda should thank the voters for having re-elected the politicians branded as unusually rich. Whether he likes it or not these politicians were among the ones most enthusiastic about supporting his nomination to premiership. At the least, these politicians have lent Suchinda the public mandate that he himself does not have.

Would it make Gen Suchinda feel any better if he knows that the villagers who were made to line up to welcome him in the northeast last week were probably the same people who would vote for the type of politicians now surrounding him? They were probably also too subservient and ignorant to resist being shepherded by local authorities to wait in the scorching sun just to make the prime minister feel good.

Gen Suchinda does not have to be hypocritical about it. He can't associate with politicians having questionable backgrounds but still wants to look good. Nobody forced him to take the three, who have been declared unusually rich, into his Cabinet. He did it for his own political survival. Only two weeks before, Suchinda admitted that he had to live with these politicians because they controlled sizeable numbers of MPs within their respective parties. But last week, he twisted his words and said he could not reject them because they had the people's mandate.

As prime minister, Gen Suchinda has to learn to take responsibilities, and not shy away from them. He chose his own men and has to be responsible for them. Gen Suchinda cannot stay above politics—simply because he has been mired in it since the very beginning. So, if some

of his Cabinet members turned out to be rotten apples, then he only has himself to blame.

And if Gen Suchinda is really serious about preventing corrupt politicians from assuming office, then there is a lot he can do. Thai people in the provinces badly need to be educated about democracy in the truest sense and not quasi-democracy as professed by the powers-that-be.

Would Gen Suchinda and his government be willing to introduce a new education curriculum which truly promotes democratic values and encourage people to question authority and stand up against political wrongdoings? Would they be willing to tell the children in schools that military interventions in politics are wrong and that people must resist all unconstitutional changes?

In fact, what Gen Suchinda can do right away is to free state-owned media from government control so that they can raise the people's political awareness through objective reporting. Past governments and the military have to share the blame for keeping the people politically ignorant and indifferent through their abuses of the state-owned media.

But the question is whether Gen Suchinda and his peers do want the people to get out of their political backwaters. They need not be reminded that a politically well-informed and assertive people would not only reject corrupt politicians but also cast out generals who have no respect for democratic rules and principles.

Editorial Examines 'Missing' Labor Movement

BK2904055192 Bangkok THE NATION in English 29 Apr 92 p A6

[Editorial: "Where Have All the Labor Unions Gone"]

[Text] Conspicuously missing from the political scene in Thailand today is the labour movement, or whatever is left of it since the National Peacekeeping Council (NPKC) essentially outlawed union activity in state enterprises last year.

On May Day, six private-sector labour groups plan to make an attempt at voicing their political and economic grievances during the day-long celebrations. But don't expect labour groups to play any significant role in the ongoing struggle between the Suchinda administration and its opponents inside and outside Parliament. The labour groups are so weak and poor that they have even had to seek government funding for their May Day events. Nearly one million baht was given, reportedly with the tacit understanding that the celebrations would not turn into an all-out political assault on Suchinda or the military.

Dropped by Half

The primary concern of most labour leaders now is the rising cost of living. They want an increase in the minimum wage, but they disagree among themselves on just how much is needed. The Labour Congress of Thailand wants the rate in Bangkok and six nearby provinces to be increased from Bt100 a day to Bt115. Others want Bt120 because the Anan administration increased government and state enterprise salaries by 20-23 percent beginning on April 1. Still others are asking for Bt140. Employers are generally unwilling to pay higher wages, and labour authorities are in favour of a slight, five percent increase in the minimum wage nationwide.

With the state enterprise unions gone, the number of Thai workers affiliated with unions has dropped by half. The unions' bargaining power has been effectively reduced by a new regulation that requires the approval of a majority of union members before a strike action can be called. Worse still, funding for labour activities has also dried up, as state enterprise unions were relatively well-funded and more active than their counterparts in the private sector. The financial woes have also caused dissension among the remaining labour leaders, leading to a split in the Labour Congress of Thailand, formerly one of the strongest groups.

The Labour Congress had already been dealt a debilitating blow by the disappearance of its president, Thanong Pho-an, under mysterious circumstances on June 19, 1991. His family and friends believe he was kidnapped by people trying to intimidate him into ending his crusade against the clampdown on labour rights. The NPKC and the police made some half-hearted efforts to investigate Thanong's disappearance, without success.

Pol Lt Gen Wirot Pao-in was in charge of the investigation while he was Bangkok metropolitan police commissioner. Now he is deputy interior minister, but he doesn't handle labour affairs. The two new labour affairs departments are under the supervision of Deputy Interior Minister Wira Pitrachat, who has yet to make public his position on Thanong's disappearance or on the Thai labour movement in general.

During the Anan administration, the Labour Department was transformed into two department-size agencies, with one concentrating on labour skills development and the other on labour welfare. Plans to set up a labour ministry seem to have been put on the back burner, especially now that Watthana Atsawahem, the self-appointed champion of Thai labour causes, is holding an obscure ministerial post in the PM's [Prime Minister's] Office. Watthana's only clear jurisdiction at present is over the Sports Authority of Thailand.

Prime Target

The current restrictions on labour rights make Thailand a prime target for international sanctions by countries belonging to the International Labour Organization. Labour leaders in some of Thailand's top trading partners, including the United States and other Western countries, are mobilizing public support for a boycott of Thai goods, and demanding that their governments put pressure on Thailand to remove the restrictions.

Premier Suchinda Khraprayun will have to spell out his policy on the formation of a labour ministry and, more importantly, on labour rights when his administration's policy agenda is announced in Parliament next week.

We can only hope that the premier understands how important this issue is. Without a free labour movement, Thailand cannot be called a democratic country, no matter how much the Suchinda administration tries to convince the world that it is a constitutional government.

Belgium, Brazil Proposed Posts for Agro-Officials

BK2904100492 Bangkok Radio Thailand Network in English 0000 GMT 28 Apr92

[Report by Piya Samphantharak of Radio Thailand News—recorded]

[Text] The Ministry of Agriculture and Cooperatives will propose to the cabinet the appointment of two new agricultural counsellors to be based in Brussels, for the European Community, and in Brasilia, for Brazil. Permanent Secretary for Agriculture and Cooperatives Yukti Sarikaphuti says that the two cities, Brussels and Brasilia, are significant to agricultural policies and the development in Thailand. Brussels, as capital of the European Community, is a major exchange for agricultural goods, while Brasilia, the capital of Brazil is vital to Thai agricultural development. Brazil stands a good chance to become Thailand's major competitor in agricultural exports. The two new posts will add to the existing posts of agricultural counselors in Italy, the United States, China, Japan, Australia, and Indonesia.

Mr. Yukti said that agricultural counselors based in the six countries had been called to be updated on the country's agricultural policies and to report on the situation in their countries of residence. Reports presented by agricultural counselors, he added, had been used in formulating action plans to make the country's agricultural products in line with the market trend.

PRC Ambassador Visits Foreign Minister

BK2904111592 Bangkok XING XIAN RIBAO in Chinese 29 Apr 92 p 4

[Text] Sakthip Krairoek, director general of the Foreign Ministry's Information Department, told reporters that PRC Ambassador to Thailand Li Shichun paid a courtesy call on Foreign Minister Pongphon Adireksan at the Foreign Ministry on 27 April. The PRC ambassador also conveyed PRC Foreign Minister Qian Qichen's congratulatory message and an invitation for foreign minister Pongphon to visit China.

Sakthip said that the foreign minister had accepted the invitation because the visit will help establish better understanding and strengthen bilateral relations between the two countries. However, the date for the visit will be decided after the foreign minister visits other ASEAN member countries.

Vietnam

U.S. To Lift Trade Embargo; 'Cooperation' Cited

BK0105053092 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 1 May 92

[Text] On 29 April, the spokeswoman for the U.S. Department of State advised that the United States will lift its trade embargo against Vietnam to reciprocate for Vietnam's cooperation in the POW and MIA issues, as well as Vietnam's support for the progress of peace in Cambodia.

Senator Kerry's MIA Report to Congress Noted

BK0105040192 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 30 Apr 92

[Text] Following its recent visit to Vietnam, the U.S. Senate delegation reported to Congress that it was pleased with the Vietnamese administration's cooperation in the search for American MIAs and that this issue might be solved in the next few months.

Senator Kerry said: Before our visit, Vietnam had half-opened its door. Today, it has at least opened its door wider to invite us in. We came to Vietnam to be assured that the search for American MIAs would be carried out scrupulously. The search was previously difficult because we had to depend on the Vietnamese people's ideas. Now, we no longer have to depend on anybody and are free to carry out the search.

U.S. senators said that the United States should cooperate more closely with Vietnam because Vietnam has clearly shown its good-willed attitude.

Singapore's Lee Kuan Yew Impressed by 'Vitality'

BK2804151792 Hanoi VNA in English 1411 GMT 28 Apr 92

[Text] Hanoi VNA April 28—Singapore's Senior Minister Lee Kwan Yew said on Sunday he was impressed by the vitality of Vietnam and had no doubts it would prosper like Singapore and other countries in the region.

The former prime minister who was in Ho Chi Minh City after a visit to Hanoi at the invitation of Premier Vo Van Kiet told a REUTER correspondent he believed Vietnam would become an Asian "tiger" following Hong Kong, Taiwan, Singapore and South Korea.

"I think in the second decade Vietnam can become and probably will become an Asian "tiger" he was quoted as saying.

Mr. Lee said Vietnam had vitality and dynamism. "Meetings start on time, meetings stop on time, service is prompt, there's no slothfulness, nothing lethargic about it. People bustle in the streets, they get things done, there's a certain purposefulness" he said.

He said the things for Vietnam to do now is to cut budget deficit by ending subsidies to state corporation, stabilise the currency, cut red tape in the business sector and hold down inflation.

He said Vietnam's economy needed sound government regulation, and entrepreneurial spirit that was re-emerging and World Bank soft loans to rebuild infrastructure shattered by decades of war.

Customs Cooperation With France, UNDP Promoted

BK2804154392 Hanoi VNA in English 1419 GMT 28 Apr 92

[Text] Hanoi VNA April 28—A project entitled "Syndonia" programme on the application of informalities to Vietnam's custom work was signed here this afternoon.

Signatories were Truong Quang Duoc, head of the General Department of Customs; David Smith, resident representative of the United Nations Development Programme (UNDP) in Vietnam and Michel de Lathe, representative of the MFD [expansion unnown] Internationale of France.

Representatives of the Office of the Council of Ministers, the Foreign Ministry, the State Commission for Sciences, the State Commission for Science and Technology, and French Ambassador Claude-Marie Blanchemaison were present at the signing ceremony.

The project "Syndonia" will be carried out with a total investment capital of 10 million French francs, of which 6 million francs will be contributed by the French, 673,000 USD by UNDP, and the rest by Vietnam.

The project aims to modernize the customs procedures in Vietnam.

Rubber Growing Joint Venture With Byelarus Cited

BK3004063192 Hanoi VNA in English 0603 GMT 28 Apr 92

[Text] Hanoi VNA April 28—Byelarus and the southwestern Province of Tay Ninh signed a contract to establish a joint venture for planting 30,000 hectares of rubber.

This is Tay Ninh's first joint venture with a foreign country in this field.

The joint venture is capitalized at $111 million, of which Byelarus contributed 55 percent with a maturity of 37 years.

Vo Chi Cong Receives Three New Envoys

BK2804153192 Hanoi VNA in English 1412 GMT 28 Apr 92

[Text] Hanoi VNA April 28—State Council President Vo Chi Cong today received on separate occasions, the newly accredited ambassadors of Australia, Finland and Bulgaria to Vietnam—John Potts, (Kai Olof Granholm), and Boris (Stoytchev) respectively.

The foreign diplomats expressed their hope that they would receive assistance and close cooperation from the Vietnamese Government and people during their mission here.

Also today, President Vo Chi Cong cordially received Polish Ambassador Stanislaw Gebala who paid him a farewell visit.

The Polish ambassador thanked the Vietnamese president, government and people for having created favourable conditions for him to fulfil his term of office in Vietnam.

Phan Van Khai Addresses Seminar on Economy

BK2904095592 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 21 Apr 92

[Speech by Phan Van Khai, vice chairman of the Council of Minsiters, at 20 April opening of Hanoi "seminar on economy of Vietnam" held under the joint auspices of the Office of the Council of Ministers, the United Nations Development Program, and the Economic Development Institute of the World Bank—recorded]

[Text] Dear international guests and Vietnamese friends:

On behalf of the SRV Government, I would like to express my gratitude to the United Nations Development Program [UNDP] and the World Bank's Economic Development Institute for the positive assistance they have given the office of the Vietnamese Council of Minsiters in organizing this seminar on the economy of Vietnam.

I warmly welcome your presence in this seminar and highly value the increased assistance you have given our renovation undertaking and our open-door foreign policy in a bid to integrate ourselves into the process of peaceful cooperation and development in the region and the world.

Besides certain topics to be discussed at this seminar, such as macroeconomic stabilization, external economic management, and coordinated activities between various government agencies, the presence of you guests—including representatives of the UNDP and international financial institutions, renowned and experienced scientists and administrators belonging to various countries and international organizations; diplomatic corps, the heads of various ministries and important sectors, and the principals of relevant Vietnamese colleges—here today bespeaks the importance of our seminar.

Dear participants: The ongoing renovation process in Vietnam is a very fundamental and important reform toward developing the multisectoral market economy, broadening relations of cooperation with all nations in the world and the region, and achieving democratization in all areas—economic, cultural, and social—of the people's lives.

Against an eventfully changing world situation and at a time when our economy has still been beset with crisis and inflation, when the source of our foreign aid has no longer

existed, when our export-import and monetary market has been upset, and when the embargo against Vietnam has yet to be lifted, we continue to consistently maintain our renovation policy, through which we have been able to effect some positive changes for the better economically, and to maintain social and political stability.

In 1991, despite severe national calamities that struck all three parts of the country, we were still able to stabilize our agricultural production, increase our grain reserves, and maintain the rate of our rice exports—over one million metric tons. Our industrial production increased by 5.3 percent. Of these, many important products—such as crude oil, electricity, cement, exports, and consumer goods—showed a fairly high increase. Our export value rose by 14 percent. Basically, our exports were able to meet our demands for imports. The projected amount of direct foreign investment for the year was as large as that of all three preceeding years combined.

The aforementioned achievements show that our renovation policy has been conducted in the right direction with its steps suitable to Vietnam's actual situation and conditions. Therefore, our renovation policy has won public sympathy and support. This policy has been reflected in the contents of the 1992 Constitution, which was recently adopted by the Eighth National Assembly's 11th session.

Dear participants: Under the realistic, animated renovation process in our country and with our efforts to learn from the expertise of other countries, we have constantly supplemented and perfected our renovation policy. Economically, our renovation policy, which has been vigorously accelerated in terms of economic and managerial structure, is having a far-reaching effect on all domains of the state- and privately-run economies—namely on various cooperatives, and private individuals—and on all economic sectors, including export-import activities and investment cooperation with other countries.

Switching to a market economy requires us to fully exercise the right to autonomy in business of various economic components, create favorable environments for economic components to achieve cooperation under various forms of ownership, accelerate the integration of the Vietnamese economy into the world economy, and increase the efficiency of the law over management of the state's macroeconomic activities.

Proceeding from the importance and the need to stabilize and create a favorable environment for Vietnam's dynamic economic growth during the five-year 1991-95 period in conjunction with efforts to carry out various key national projects in the fields of production and infrastructure development, the Vietnamese state has attached great importance to the successful implementation of various national projects designed to fight inflation, reorganize state-run economic activities, vigorously develop other economic components, renovate mangerial mechanism, and reform the administrative system.

We have paid great attention to those issues covered in the agenda of this seminar, both in terms of theory and practice, because they are targeted issues to be fervently resolved by Vietnam in the renovation process.

We wish and also believe this seminar is a good opportunity for us to gain more experience to supplement, perfect, and substantiate our country's socioeconomic development policy.

Although initial yet important achievements have been scored in the renovation undertaking, switching to the market system remains very new to us and is an activity about which we do not have much experience. We have attached great importance to the expertise and successes obtained by advanced countries and wish to hear advice from international guests and to hold frank exchanges of view with them over relevant matters. I believe that this will require the leading cadres of various Vietnamese ministries and important sectors to patiently exchange views and experiences with international guests. Given the animated reality of the renovation undertaking in Vietnam, they should strive to deal with those important issues now arising to successfully achieve the goals of Vietnam's strategy for socioeconomic stabilization and development until the year 2000.

May this seminar on the economy of Vietnam be a fine success.

Thank you.

Decision on 1992 Capital Depreciation Noted

BK2904145992 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 25 Apr 92

[Text] On 25 April, the chairman of the Council of Ministers issued a decision noting that in 1992, 100 percent of capital depreciation of fixed assets derived from the national budget of all state business must be paid to the national budget. Some sectors which were allowed by the government to keep 100 percent of their capital depreciation for further investment now must pay all of their 1992 depreciation to the national budget.

The Ministry of Finance and controlling organs must regularly check and urge the enterprises to completely pay all depreciation to the national budget. They must also fund projects invested by the capital depreciation source as set forth in the state plan in a timely manner.

The Minister of Finance is to instruct the implementation of this decision and coordinate with the chairman of the State Planning Commission to study plans to submit to the Council of Ministers for the issuance of regulations to manage the capital depreciation source from 1993 onwards.

This decision comes into effect on 1 January 1992 and any stipulations conflicting with this are rescinded.

Oil Corp To Be Supervised by Council of Ministers

BK2804114092 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 17 Apr 92

[Text] The Council of Ministers on 14 April issued a decision to place the Vietnam General Oil and Natural Gas Corporation—formerly subordinate to the Ministry of Heavy Industry—under the supervision of the chairman of the Council of Ministers.

The decision had been made with the aim of ensuring efficiency and uniformity in the management and supervision of work related to oil and natural gas to rapidly turn the oil and natural gas sector into a developed economic and technological sector.

Forestry Ministry Resolution Limits Logging

BK2904120592 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 24 Apr 92

[Text] To implement Directive 90 of the chairman of the Council of Ministers on urgent measures to stop forest destruction and the law on forest protection and development, the minister of forestry just issued a resolution to terminate the exploitation of special purpose forests, to protect forests, and to limit the exploitation of timber in the country.

The resolution strictly bans the exploitation of 86 special purpose forests, including the national reservation forests of Muong Ne, Muong Trang in Lai Chau; Vap Co, Han Kia in Hoa Binh; Nui Ba, Thuong Da Nhim in Lam Dong; Ben En in Thanh Hoa; Vu Quan in Ha Tinh; and Cu Lao Cham in Quang Nam-Da Nang. The ban also applies to the historical and cultural forests in Bai Chay of Quang Ninh, Tam Dao and De Dung of Vinh Phu, Deo Ca and La Xon of Phu Yen; bird habitats in Minh Hai; national parks in Cuc Phuong and Ba Vi; and so forth.

The minister of forestry's resolution also terminates the exploitation of 34 protected forests in northern mountainous provinces, the central highlands, U Minh, and coastal areas in Kien Giang. It also limits the exploitation of timber in the country. In 1992, the resolution only allows the exploitation of 638,800 square meters of timber, including the timber exploited in national forests and planting forests.

Australia

Inflation Rate Continues To Run Low

BK2904072292 Melbourne Radio Australia in English 0500 GMT 29 Apr 92

[Text] New quarterly figures show Australia is maintaining its low inflation rate. Australia's main measure of inflation, the consumer price index, remained steady between the December and March quarters.

The annual inflation rate now stands at 1.7 percent. Mark Tamhane in Canberra says the Australia Government is delighted with the lower-than-expected figure.

[Begin Tamhane recording] Australia's chief economic minister, John Dawkins, described the inflation figure as a splendid result. Mr. Dawkins said the low inflation figure gave the nation's central bank some room to ease monetary policy and cut official interest rates.

He said the government will be holding discussions with the Reserve Bank over the next week on the size of those cuts. The treasurer said low inflation was one of the economic fundamentals which would see Australia climb out of recession. He said the low rate would provide encouragement to the business sector. [end recording]

Papua New Guinea

Further Rift in Solomon Islands Relations

BK2904071892 Melbourne Radio Australia in English 0500 GMT 29 Apr 92

[Text] Papua New Guinea [PNG] says the latest rift in relations with Solomon Islands is against the best interest of the two countries and Melanesian solidarity. The Solomons Government has cancelled the visit to Honiara by Papua New Guinea's foreign minister Sir Michael Somare, and says it will not discuss concerns over the Bougainville crisis until after Papua New Guinea's national elections in June. Brian Abbott reports from Port Moresby:

[Begin Abbott recording] A statement issued by Prime Minister Rabbie Namaliu said the cancellation of Sir Michael Somare's visit to Honiara and the attitude of the Solomon Islands Government effectively ends constructive steps that were being taken to restore relations to its (?friendly) Melanesian basis.

He said the visit was only proposed after he gained agreement from Solomon's prime minister, Solomon Mamolone. Mr Namaliu said the latest breakdown in relations is also not in the interests of regional solidarity and threatens next month's rescheduled Melanesian Spearhead Group summit. The dramatic deterioration in relations between Port Moresby and Honiara followed two raids by PNG forces to destroy a fuel depot Solomons territory supplying Bougainville rebels.

Mr. Namaliu said PNG is willing to consider paying compensation for the damage, but it is waiting for an official claim for payment. [end recording]